The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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Japanese Revolution and Its Probable Effect on China

ARTICLES IN THIS ISSUE

Tokyo Revolt Collapses—Leaders Commit "Harakiri"—Prince Konoe Declines Premiership

Arita Optimistic Over Future of Sino-Japanese Relations; Red Situation in Shansi Serious

Peiping Student Volcano Begins to Erupt Again

Common Stocks as Safe Investments—An American Example

Ornate Front of Raven Bank Hid Old Structure

On the Student Front in Peiping *(By a Correspondent in Peiping)*

Fukien Now Faces Another Japanese-Inspired "Autonomy" Movement *(By the Review's South China Correspondent)*

"Kochu Kungssu" Plans Control of China's Northern Coal Resources *(By the Review's Tientsin Correspondent)*

Hu Han-min on Pan-Asianism and the "Three Principles" . . . . . By C. Y. W. Meng

Japan's Army Forces the Pace . . . . . By C. Y. Hsieh

Leaks in the Opium Barrel . . . . . By Haldore E. Hanson

Letter Congratulating Yin Ju-keng on His Birthday . . . . . By T. S. Young

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Contents

Editorial Paragraphs

Probably Effect of Japanese Revolution on China 1
Peiping Student Volcano Begins to Erupt Again 3
Common Stocks As Safe Investments—An American Example 5
Ornate Front of Raven Bank Hid Old Structure... 5
Tokyo Revolt Collapses — Leaders Commit "Harakiri"—Prince Konoe Declines Premiership 6

Special Articles

Arita Optimistic Over Future of Sino-Japanese Relations; Red Situation in Shansi Serious 10
Hu Han-min on Pan-Asianism and the "Three Principles"..... By C. Y. W. Meng 15
Letter Congratulating Yin Ju-keng on His Birthday.....By T. S. Young 18
Leaks in the Opium Barrel ..... By Haldore E. Hanson 20
"Kochu Kungssu" Plans Control of China's North Coal Resources..... 24
Japan's Army Forces the Pace.....By C. Y. Hsieh 25
Fukien Now Faces Another Japanese-Inspired "Autonomy" Movement 28
Who's Who in China..... 29
Men and Events 30
New Books of Interest in the Far East..... 32
On the Student Front in Peiping 35

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

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PROBABLE EFFECT OF JAPANESE REVOLUTION ON CHINA

ALTHOUGH much mystery still surrounds the recent developments in Tokyo there are two elements which are quite obvious: While variously described in the Japanese press reports as a "coup," "uprising" or "rebellion," there is no concealing the revolutionary character of what took place in the Japanese capital in the early morning of Feb. 26. As a matter of fact what took place in Japan last week was a natural result of what the Imperial Japanese army has been doing on the Continent since 1931. Shortly following the Japanese occupation of Mukden in 1931 an American college professor, familiar with conditions in Japan, wrote a pamphlet in which he explained that the occupation of Manchuria would not solve Japan's fundamental problems which were of deep-seated revolutionary character. This situation has been growing in severity since 1931 but has been concealed and obscured by the activities of the military forces; but concealment is now no longer possible for the Japanese revolution is exposed for what it is—a revolution. Japanese developments from now on will be concerned more and more with domestic affairs and there can be naught but sympathy for the Japanese people who apparently are foredoomed to experience the complications which their neighbors have passed through in recent years—and decades.

The other obvious element in the recent Japanese developments, despite official statements to the contrary, is the close connection of Japanese policies toward both China and the Soviet Union with what occurred in Tokyo. When Japanese military officers or foreign office officials under army domination declare that recent Tokyo developments will not affect foreign policies they are either trying to mislead the public or are ignorant of the significance of what is now going on beneath the surface in both Japan and China. One reason why there recently has been an inclination on the part of certain Chinese and Japanese militarists to cooperate in "preserving the peace of Asia" has been due to their fear of the same menace. No one can forecast what is likely to develop from the Tokyo rebellion—

further domestic complications or a fascist dictatorship—but regardless of the direction of the development it will be certain to affect Japanese policy toward China and also, possibly, toward the Soviet Union. Many Chinese expect a fascist dictatorship in Japan with consequent increase of Japanese pressure on this country rather than on the U. S. S. R. the reason being that the Russians are ready to defend themselves while China is not yet ready and probably will not be for several months.

A complete summary of last week's developments in Tokyo appears elsewhere in this issue of *The Review*, hence it is only intended here to mention elements likely to affect this country. One such element was the *Domei* report on Monday of this week stating that Major-General Kenji Doihara is to be transferred to Japan, to the command of the 12th Division. About a month ago the General Staff announced definitely that Doihara had been appointed high political adviser to the Hopei-Chahar Political Council and his activities in Peiping in conferring with Chinese officials of high and low degree indicated that he had actually started work. Then there was a later announcement that Doihara would be promoted, but would remain in the North as an official of the Japanese garrison at Tientsin. Now comes the announcement he is being transferred to Japan! Before departing from Peiping he declared in the course of an interview that Japan was not seeking to sever North China from Nanking "completely," but was seeking to make the section an experimental ground for Sino-Japanese economic and military cooperation. Which prompted one of the Canton patriots to declare that Japan already regarded North China as a Korea or Formosa!

Among the Japanese who proclaimed "business as usual" despite Tokyo developments was Major Takeo Imai, Military Attache at Peiping. He went so far as to say there would be no change in national policies even though there should be a complete change of government in the Japanese capital. His cocksureness on this point was obviously due to the circumstance that Japanese policies and activities in North China had practically been handed over to the Kwantung army, with a threat published in a Tokyo newspaper that if the Foreign Office didn't cease meddling that the Army would compel the Foreign Office to cease diplomatic dealings with China, leaving same to the Manchurian Affairs Bureau in the Cabinet, which is controlled by the Kwantung army.

The War Office plan to greatly increase the Japanese garrison in North China has already been announced, but the newspaper *Chugai* revealed on Feb. 25 that the Mukden arsenal, built up by the late Marshal Chang Tso-ling and his son Chang Hsueh-liang but taken over by the Japanese army in 1931, is now to be extended to Tientsin. After the Kwantung army seized the Chang arsenal they turned it over to the Mitsuis who formed a Y.3,000,000 corporation and since have greatly prospered through their monopolistic sale of arms and munitions and heavy steel to the Kwantung army and Manchukuo government. Now, according to the report, the capital is to be increased to Y.6,000,000 and a new plant is to be built in Tientsin equipped to supply North China with arms and munitions and also heavy industrial equipment.

GETTING AWAY WITH IT

[Birmingham Gazette.]

Jap: "You still can't understand how I did the Manchuria trick? Let me show you again, signor!"

One of the things which helped to precipitate the Tokyo military rebellion was the announcement of the latest shift in army personnel, much of which concerned commands in Manchuria and North China. One report told of transfers to home commands of Gen. Jiro Minami, commander-in-chief of the Kwantung army and Lieut-General Hayao Tada, commander of the troops at Tientsin, but thus far there has been no confirmation of this order. The *Asahi Shimbun* reported on Feb. 25, (day preceding the uprising) that the main idea behind the tranfers of officers was to strengthen the commands in both Manchuria and North China. Among these transfers was that of Lieutenant-General Seiji Kozuki from the command of the 12th Division to the General Staff, the object being to groom him for command of the enlarged forces in North China "before May or June this year." Major-General Seiichi Kita, who investigated conditions in North China recently and recommended a large increase in the North China garrison, was also assigned to the General Staff in expectation of making him chief of staff to Lieut-Gen. Kozuki at Tientsin. Major-General Takayoshi Matsumuro, now in service in Manchkuu, was ordered attached to the Kwantung army as successor to Doihara as chief of the Special Service Department.

On Feb. 26, day of the outbreak, the *Chugai*, referring to Japanese policy and activities in Manchuria and North China, declared prophetically that "in order to cope with the complications which had developed it was vital that Japan should fix her fundamental policy and absolutely avoid a break in national strength and public opinion." This statement appeared in the early morning edition of the 26th and had been written without knowledge of later stirring developments indicating that Japan's famous united front had cracked. The writer of the article stated that Japan's "inevitable" action in Manchuria had created suspicion among Russia, America and Britain, making Japan's problem most difficult, hence the necessity of preserving a united front and raising military expenditures to enable Japan to defend her position. But the *Nichi-Nichi*, in considering the shifts in army personnel, strongly criticised the War Minister Kawashima on the ground his action had been "lukewarm and common and had failed to touch the spots where drastic operation was necessary."

Now, a week following the Tokyo events the Japanese warlords, (*Reuter*, March 3) are still talking about thenecessity of (1) Clarifying state policy; (2) fulfilling national defense requirements; (3) stabilizing national existence; (4) strengthening foreign policy toward the Powers in accordance with the unceasing growth of the Empire.

But with it all there is no concealing the skeleton in the Japanese financial closet. The Japanese army has spent all the money and Japan's credit is at the cracking point. The South Manchuria Railway, over-expanded and loaded down with unproductive new lines built through undeveloped territory, cannot sell any more bonds and must shortly be reorganized or will go bankrupt. Chen Ching-jui, once research member of the Academia Sinica and now head of a Shanghai publishing house, stated in the course of a speech at Nanking last week that Japan couldn't last over 51 days in a modern war because of the heavy financial outlay. He based his figures on the cost of the last war to the various nations involved and said that Japan's national wealth could only last a few months. Guenther Stein, well known German correspondent in Tokyo, forecasted the early "crack-up" of Japan financially (see The Review, Page 406, Feb. 22) owing to the expenditure of most of the nation's available wealth on unproductive continental adventures, in consequence of which the nation now finds itself armed to the teeth but with its fundamental problems still unsolved.

How much longer can the impoverished Japanese peasants carry the burden? The Tokyo revolt was one answer because the army is made up of more than 50 percent farm and village boys who receive only a few cents a month for their military services while the families they have left behind are still further impoverished due to loss of help from the son conscripted into the army for service on the Manchurian or China "front."

PEIPING STUDENT VOLCANO BEGINS TO ERUPT AGAIN

THERE are 13,517 male and female students enrolled in 19 leading colleges and universities in Peiping. When the middle schools in the Peping district and the unversities, colleges and middle schools in the Tientsin area are added, the total student population in these two cities probably will exceed 30,000, largest student group in the entire country, exceeding the student populations of either Shanghai or Canton. Most of the large universities in the Peiping-Tientsin district attract students from all over the country, many of them actually having more students from the southern provinces than from the North, while some of the schools have hundreds of students enrolled whose homes are located oveseas. It is said that the students in Peiping expend between $15,000,000 and $20,000,000 a year in tuition fees, and for school supplies, food and clothing, the educational institutions thus rating as a major element in the economy of the city.

The fact that the student populations in the North are national rather than local is a matter of considerable significance because in the mass they constitute a sort of youthful national parliament and are able to exercise considerable influence throughout the country due to their contact with their parents and home communities scattered throughout the nation and among the Chinese communities abroad. Ideas originating among Peiping students quickly spread throughout the country; witness the recent demonstrations and anti-Japanese activities which have spread everywhere. In the original student movements which resulted from Japan's occupation of Shantung during the world war and the corrupt activities of the Japanese-subsidized Anfu abministration in Peiping, the response of the nation to student appeals from Peiping was almost instantaneous. When the Japanese military authorities tried to coerce the Peiping government in an attempt to compel the Chinese delegates to the Versailles Conference to sign the peace treaty, containing the so-called Shantung clause, the response of the students was instantaneous and a movement started in Peiping became nation-wide almost overnight.

The reason for the success of the earlier student activities which extended over a period of several years, was due largely to the fact that it was a purely domestic patriotic movement based primarily upon one single major objective—the return of Shantung! The disturbing dissention-breeding element of "communism" was then practically unknown in China; hence the students were able to concentrate on one patriotic platform which was easily understood and which had a national appeal among all classes of the population, merchants, bankers, farmers and laborers.

One wonders why student leaders are not today able to formulate a similarly all-embracing patriotic platform based upon the recovery of lost territories and national rights? One wonders why intelligent, patriotic student leaders have permitted the introduction of alien ideas and issues which have caused internal dissention and

neutralized the efforts of thousands of young men and women who are anxious to serve their country? The issue should be sufficiently clear with the Japanese in actual occupation of the Manchurian provinces and most of Inner-Mongolia and North China on the verge of a similar fate! The recovery of these territories and preservation of the unity of the country and the fruits of the nationalist revolution against foreign aggression from any quarter whatsoever should constitute sufficient justification for any present day patriotic movement that no one could attack without laying himself open to the charge of traitorous activities. That student groups abroad often have a better grasp of developments in their homeland than groups within the country was indicated in the following statement pertaining to the "autonomy' movement in the North, which was circulated throughout the United States by the Chinese students' club at Cornell University and published in the January number of the *Chinese Christian Student*, published in New York:

> The recent actions of the Japanese militarists in North China and the alleged "secession movement" in that area have again caused deep and wide-spread concern in this country. We are much encouraged by and are very grateful for the many expressions of sympathy on the part of the American public for our people at this time of great national crisis. May we submit once more to your unbiassed judgment some of the outstanding facts, at once most obvious and profound, with reference to the present stage of the unfolding of the premeditated designs of Japanese imperialism?
>
> Let it be understood at once that nothing is farther removed from the truth and constitutes a more violent insult to the Chinese nation than the assertion that the so-called autonomy movement is supported by the people of North China. The Japanese warlords are solely responsible for the manipulation of the situation, and in screening their criminal act from the world, are paying a poor compliment to the normal functioning of human reasoning. By bribery, coercion, or some other underhanded method, they may be able to secure one or two unprincipled and irresponsible Chinese to be their puppers, but the moment a Chinese becomes a tool or even falls a helpless victim in the hands of these international gangsters, his right to represent the people of China is thereby instantly and totally nullified. In point of fact, public opinion in North China during recent months has been entirely unanimous in urging the government not to surrender another inch of our soil. Some of the leading papers in North China have even advocated that the Central Government itself should move back to Peking to show that the National Government of China will stand or fall with the city which so vividly reminds us of our political history and so gloriously embodies our cultural inheritage. Dr. Hu Shih, the leading Cornell alumnus in China, was therefore voicing the real sentiment of the whole Chinese nation when at great risk to himself he declared that "all this talk about popular support (of the autonomy movment) was so much nonsense."

DIFFICULT TO CONCENTRATE ON SCHOOL WORK

—By K. Eng in Chinese Christian Student for January

The accelerated encroachment upon China's sovereignty on the part of Japan leaves no room for any further doubt that the unprovoked attack on Manchuria in 1931 and the subsequent set-up of the puppet state of "Manchukuo" were no mere accidents; they were definite steps in a planned program for the subjugation of China and for the establishment of Japanese supremacy, first in Asia, later in the whole world. This is why Japan has consistently taken advantage of the adversities of China and the difficulties of the world for the expansion of her power on the mainland of Asia. The World War was her opportunity to impose upon us the infamous twenty-one demands. The general economic depression in the world and the unprecedented flood in China in 1931 was a godsend to her for seizing the vast territories of our Northeastern provinces (Manchuria). She is now repeating this same dishonorable method in North China while the whole civilized world is trying to make the international outlawry of war an effective instrument for the deliverance of mankind from the savagery of the law of the jungle.

In this connection it ought to be pointed out that in no small measure Japan must be held morally responsible for the situation that is now developing in East Africa. More than any other nation she must also be blamed for the fruitlessness of the more recent international efforts to reduce armaments. If in the face of this new form of barbarism the disciplinary machinery of civilized humanity remains forever impotent, the very existence of civilization may be threatened by another worldwide catastrophe, and that in the not distant future.

The world is familiar with the Japanese contention that her exploitation of Manchuria is an economic necessity on account of her excessive population. Without refuting this false argument beyond suggesting the fact that Japanese immigration into Manchuria has never been restricted in any way by the Chinese government, it must be stressed emphatically that what little truth there may be in that contention with reference to Manchuria, there is absolutely no element of truth in it when it is applied to North China. The peninsula of Shantung is one of the most densely populated spots in the whole world. According to a recent sample survey of some 100,000 farm holdings in North China, 36 per cent of the farmers in that area do not own

more than 1½ acres of land per family. Another 51 per cent have 1½ to 7 acres for each family group. Japan knows only too well that under such circumstances it will be impossible for her to colonize North China. What she is really after is the resources that will make her the greatest military power in the world, and to bring her a step nearer the control of world markets especially in certain commodities, and when she thinks that is accomplished, she will not hesitate in turning elsewhere for the solution of her "population problem." . The sooner this is realized by the nations of the world, the more surely the safety of mankind will be safeguarded.

What our government is going to do and what the ultimate outcome will be, we cannot tell. But we know that the same sages and philosophers who through the ages have cultivated in our people a profound love for peace, have also handed down to us as a part of their legacy an unshakeable belief in justice and the inviolability of individual and national freedom. When our patience is stretched beyond all possible limits, and all efforts to appeal to reason have proved futile, we may be compelled to forget all possible consequences and resist our aggressors to the best of our ability. When that hour comes, we on our part will be ready to offer ourselves unreservedly to the struggle for the defense of our country which we believe is in harmony with the maintenance of international justice. We are naturally most deeply concerned with the situation as it develops from day to day, and we most earnestly invite the moral support of our right-minded American friends in our struggle.

COMMON STOCKS AS SAFE INVESTMENTS—AN AMERICAN EXAMPLE

A decision given in the Superior Court at San Jose, California, Feb. 25 by Judge William Jones to the effect that trustees of Stanford University might invest a portion of the institution's trust funds in common stocks as a hedge against inflation is a matter of more importance than the seven-line telegram (*U.P.*) appearing in only one newspaper in Shanghai would indicate. It is an almost universal rule over the world that public institutions, insurance companies and trust funds generally must be invested in preferred stocks or debentures (bonds) the idea being that what such institutions must have is *security*—which common stocks, under ordinary conditions do not furnish. Now with the currencies of nearly every country on a paper basis—the respective governments reserving to themselves the right to fix the rate of the dollar, or whatever unit that country may use, at practically anything they like, and with indications that in nearly every country there will be further reduction in the value of the unit—the relative security of preferred shares and bonds has become very problematical, for the reason that in proportion as the unit of value drops the value of the preferred issue also drops. Then when the unit of value reaches the "vanishing" point the companies which have issued the preference shares or bonds can pay off their indebtedness in depreciated currency, whereas the price of common stocks, which represent shares in property and not merely an encumbrance on same, rise in value in proportion as the currency value drops. The fact that in America, so important an intitution as Stanford University has applied for, and been granted, the right to invest in common stocks, indicates a probability that in due course a further drop in the American currency unit will occur. The precedent set by the judge in California will in all probability be followed in other countries. This matter of preferred investments is of great interest in Shanghai where the public has been particularly partial to investments of this kind.

ORNATE FRONT OF RAVEN BANK HID OLD STRUCTURE

THE tearing down of the old Hall & Holtz building, one of the landmarks of Shanghai, at the corner of Nanking and Szechuen Roads, has exposed a structural detail of which the general public would otherwise not probably be aware. When one views the ornate facade of the building at No. 29 Nanking Road, which housed the defunct Raven institutions, and on which are embellished in grandiose letters the words, "American Oriental Banking Corporation," one would naturally suppose that here is an example of a modern, substantial building, typical of the kind of a structure which ought to house insitutions which more than any others depend for their success on the confidence which they inspire among the public. But with the building to the west of it removed there is brought to light in a vivid manner the fact that the building in its renovated form was a masterful piece of architectural camouflage. The west side of the building, which is now brought to public view, is found to be of flimsy brick construction, with the peaked old-fashioned roof still in place in the form it was originally built many years ago. The concrete facade, when viewed from the side, is merely a shell, and as is now evident, was built several yards higher than the eaves at the front of the building so as to prevent the public from seeing the ridge of the old Chinese-style roof behind, and which otherwise would have jutted its peak to public view as it did in the good old days. But the facade is not nearly so high as the apex of the roof, but even so the pedestrian in the street below, from the angle of his vision, is not able to see any part of the roof. Recent events have proved that the bank that it housed was just as big a bluff as the building itself. As a matter of fact, previous to the Raven financial institutions occupying said premises, another bank, which in the meantime has also gone out of existence, occupied said premises since the camouflaged front was added. It may be added that there was a perfectly logical reason for thus brightening up an old building. The Municipal regulations provide that in many areas, —of which the block in question is one—if a new building is erected it must be set back to the new building line, whereas impovements to an existing building may be made without disturbing its frontage.

Japanese Diet to Convene April 20 for Three Weeks

Decision to convoke the 69th extraordinary session of the Japanese Diet on April 20, for a period of three weeks, was reached Feb. 21 at the first meeting of the Cabinet in Tokyo since the general election of Feb. 20.

Tokyo Revolt Collapses—Leaders Commit "Harakiri" Prince Konoe Declines Premiership

SENSATIONS came thick and fast over the week end in connection with the military revolt in Tokyo Feb. 26. Almost simultanously with the surrender of the mutinous regiment of the First Division on the afternoon of Feb. 29 came the announcement that the Japanese Premier, Admiral Okada, was alive, having by an ingenious ruse escaped the death which had been prepared for him. Formal announcement of his death had been made at the time by the War Office, which purposely concealed the fact that it was not the Premier, but his brother-in-law, Colonel Matsuo, who had been shot down by the mutineers—until their surrender made it unnecessary to conceal the truth any longer. It is to be noted that Premier Okada was at the time of the attack in his unofficial residence. Colonel Matsuo deliberately concealed his identity, and marched to his death, while the Premier hid himself in an iron chest, and remained thus hidden for about two days. When the relatives of the Premier came to the premises to make arrangements for taking away the body, they saw at once that the mutineers had killed the brother-in-law and not the Premier. Right under the noses of the mutineers the coffin of the murdered man was carried out, and in that coffin also was hidden the Premier alive and well. The Premier owes his escape to the respect which Chinese and Japanese generally pay to the bodies of the dead; less meticulous soldiers of other nationalities would probably not have hesitated to have opened the coffin. Previous reports that Mr. Takahashi had only been wounded were later proved to be untrue. The fact was that he had been shot down on the spot, but the news was withheld a day for fear of creating a panic on the stock and exchange markets. In the course of the attacks on the Ministers more than a hundred civilians lost their lives, many them servants (including maidservants) of the officials who were shot in their houses. The body of Viscount Saito was found to bear thirty bayonet wounds, these, according to custom, having been inflicted by as many soldiers—with the object of impressing the fact that all thirty shared the responsibility for his death. Several of the officers of the mutinous regiment committed suicide by harakiri —the traditional Japanese method of expiating one's disgrace. Others shot themselves. Among those who committed suicide were Captains Teruso and Nonaka, company commanders.

Other officers who took part in the uprising, including three former Army officers named Muranaka, Isobe and Shibukawa, were taken to a military prison, while all non-commissioned officers and privates implicated in the revolt were taken to their respective barracks and confined in cells. K. Muranaka, who was formerly a Captain, and A. Isobe, Paymaster-Captain, were dismissed from the Army on August 2, last year, for issuing a pamphlet which greatly influenced Lt.-Col. Aizawa, who is charged with the murder of Lt.-Gen. Nagata, late Director of the War Ministry's Military Affairs Bureau, in committing the attack on his superior officer, and also denounced a number of Japan's industrial magnates. The fact should not be lost sight of that the alleged cause of the mutiny was a revolt against the order sending part of the First Division for service in Manchuria. Just a few days before the mutiny the Japanese newspapers were printing biographies of the principal brigade leaders, incidentally mentioning that it was the first time in 31 years, following the Russo-Japanese war, that officers and soldiers of the First Division comprising crack men from Tokyo, Kanagawa, Chiba and other prefectures had been mobilized to proceed to Manchuria.

Mutineers Surrender—Not a Shot Fired

The details of the collapse of the mutiny were as follows.:

After the first excitement of the mutiny and assassinations had died down, with the mutineers holding possession of various government buildings, as well as the homes of the Premier and of the Minister of the Interior, peacable efforts were made to dislodge them. The Commander of the First Division, Lieutenant-General Takeo Hori, was in favor of drastic action, despite the fact that he had the nickname of "Sleepy," dating back to the cavalry school days when he often dozed. Orders, which had been given to the Imperial Guards to eject them, were later withdrawn. Higher Army officers decided to give the rebels time to consider the situation. On the invitation of Generals Mizake, Abe and Nishi, of the Supreme War Council, three of the rebel leaders were invited to a conference at the Military Club. The rebel leaders, who had established their headquarters at the official residence of the supposedly dead Premier, were informed that they would have to choose between retiring gracefully or being ejected by force. The rebel leaders later came back and promised to evacuate at 8 a.m. on the morning of Feb. 28. When the set time arrived, however, the rebels did not retire and made no preparations to do so. They were then given until noon to surrender, with the threat that if they did not comply by noon they would be fired on. Noontime arrived and still the mutineers refused to budge. The higher army officials still held back from using force. Hurried conferences between high military, civil and naval authorities followed, the Emperor taking an active part, and, on orders from His Imperial Majesty, the loyalist troops were ordered to evict the rebels by force if they did not surrender.

"Soldiers, the Emperor commands you to return to barracks," said General Kashii, commander of the loyalist troops in the area under martial law, in a message to the mutineers. "We admire your courage and loyalty to your officers," he added "but you can submit without shame because your officers recognize their error."

"Return to your barracks and be pardoned—resist, and you'll be shot," he warned. This threat had the desired effect. A communique was issued at 10.50 a.m. Feb. 29 by General Kashii stating :—"The majority of the rebel non-commissioned officers and privates have surrendered without much resistance. The small units at the Premier's official residence and the Sanno Hotel are expected to be subiugated shortly."

Then, at 12.50, General Kashii broadcast the news that the rebellion had been completely suppressed. All the rebels, he said, had returned to barracks and had been disarmed.

General Kashii, who kept Japan and the world informed of the situation in a series of statements, announced that a hundred soldiets and non-commissioned officers had surrendered overnight. A hundred and sixty others surrendered their arms before entering the Aoyama barracks.

A hundred and twenty more surrendered at 9.20, and the remainder, who had held our at the Premier's official residence and at the Sanno Hotel, came in later. Not a shot was fired.

Mutinous Officers Lose Court Rank

Three captains, seven lieutenants and five second lieutenants who took part in the mutiny, have been deprived of their court ranks, the Imperial Household Ministry announced Mar. 2.

They were dismissed from the Army ranks on Feb. 29. Of the captains, one, Shiro Nonaka, blew his brains out with a revolver shot at the Sanno Hotel Feb. 29 as the last of the rebels surrendered to the loyal troops.

The coup was launched just before dawn on Feb. 26 and the original participants were men of the First Division. They entered the city by motor-trucks, with full war equipment, including machineguns and boxes of hand-grenades. The trucks separated immediately on entering the city, two or three trucks proceeding to the residences of the Cabinet Ministers and other selected victims, while outside Tokyo other trucks went to Viscount Makino's villa, and the the residence of Prince Saionji in Shidzuoka. The attack on Viscount Makino and Prince Saionji was foiled. Telephone calls reached both residence some few minutes before the trucks arrived. The Shidzuoka police escorted the Genro away in a fast car, while a coolie saved Viscount Makino's life. He was a mile or two away by the time the rebels arrived, who vented their disappointment on the villa, by riddling it with machine-gun fire, and later burning it.

Revolt Not Directed Against the Throne

Reuter messages brought out the point that the military revolt in Tokyo was not directed against the Throne. On the contrary, the young officers behind the movement were "super-loyalists" animated by a desire to restore and strengthen Emperor Hirohito's prerogatives and eradicate the "Emperor-Organ" theory. They hated the Okada regime on account of its alleged weakness internally, which encouraged certain cliques to infringe upon the Imperial responsibility with a resultant weakening of foreign policy.

The reasons for the coup go back to the signing of the London Naval Treaty, in which, the rebel officers affirm, the Elder Statesmen and the so-called Palace clique infringed upon the Emperor's prerogatives.

The rebel officers were apparently determined to end the situation under which the Throne consults Elder Statesmen before appointing Premiers. Their method to achieve this object was intended to be grim, but simple—to assassinate the Elder Statesmen who stood between the Army and the Throne.

"Okada's Body Is Taken to His Humble Home"

As things turned out there was a grim humor about a telegram from Tokyo Feb. 28 reading:—"The body of the late premier was transferred from the sumptuous official residence of the Prime Minister, where it lay in state for a day. This followed lengthy negotiations with the late admiral's son, Lieut. Sadatomo Okada, who insisted that his father would have wished to leave on his last journey, not from the elaborate official mansion, but from the modest house, which so well typified his frugal habits."

The "resurrection" of the Premier naturally upset the plans which had been made for forming a Cabinet based on the assumption that he was dead. The Emperor Feb. 27 dispatched an envoy to Prince Kimmochi Saionji, (87 years of age) the only surviving "Genro," to seek his views on the formation of a new Cabinet. Prince Saionji has always been consulted in the past on the composition of cabinets, and has usually made his recommendations following conferences with the Elder Statesmen.

The Prince was accompanied to Tokyo by his eldest son Hachiro and Baron Kumao Harada, his private secretary.

Tokyo newspapers predicted that the next Cabinet would be "powerful in authority, national in composition," headed by a man of "lofty personality and irreproachable reputation."

The Cabinet continued to function, although on a greatly reduced scale. The Government offices were established on the third floor of the Ministry of Imperial Household at the Palace. All members of the resigning Government also stayed within the compound of the Imperial Palace, having agreed not to leave the place.

Takahashi Sold as a Slave in His Youth

Particular interest attaches to the passing of Mr. Takahashi, the Minister of Finance. From being sold as a slave when a boy, he rose to the highest eminence in Japanese political life and gave up a peerage for the sake of his democratic principles. He had been once Prime Minister, once acting Prime Minister, six times Minister of Finance, and once Minister of Agriculture and Commerce. While still a boy, he went to America and was sold as a slave in San Francisco. After various vicissitudes, he became Vice-Governor of the Bank of Japan in 1900. During the War with Russia, the future Minister of Finance was sent to Great Britain and America to raise War Loans. The abundant success of his mission was all the more remarkable because Japan's position in the international money market was, at that time, very insecure. His success has always been conceded as his greatest service to the State. Mr. Takahashi came to be regarded as one of the greatest financial experts in Japan.

Chuji Machida, Minister of Commerce and Industry, was concurrently appointed Feb. 27 to head the Treasury, but resigned immediately after the induction ceremony.

Admiral Saito Five Times Minister of Navy

The late Admiral Viscount Makoto Saito was five times Navy Minister, twice Governor-General of Korea, and then Premier; a Privy Councillor and, in 1927, head of the Japanese delegation to the Three-Power Naval Conference at Geneva. Viscount Saito held a succession of high posts with honor and distinction almost continuously since 1898. In that year, Admiral Count Gombei Yamamoto, recognizing his ability, appointed him Vice-Minister of the Navy, though he was still only a captain, and, therefore, junior in rank to several of the bureau chiefs placed under him. At the time of his assassination, Viscount Saito was Lord Keeper of the Privy Seal.

The condition of Admiral Suzuki, Grand Chamberlain, who was greviously wounded in the outbreak, is improving according to Aisuke Okamoto, Councillor of the Imperial Household. "While Admiral Suzuki's life was despaired of at the time of the attack, his condition has improved as a result of blood transfusions," the official said.

Purging the Army

Decision to purge the Army ranks, to prevent the possibility of a recurrence of last week's events, was reached at two conferences held by the highest officials of the War Ministry March 1, one of which lasted five hours. Before steps in this direction are taken, however, a thorough study (according to *Domei*) will be made of the causes of the uprising, including various social factors and "political misadministration."

Officials present at the two meetings included General Yoshiuki Kawashima, War Minister; Lieut. General Motoo Furusho, Vice-Minister of War; and directors of all of the War Office's bureaus.

Last week's mutiny has led to the decision to postpone the official announcement of the periodical military reshuffle scheduled or March 2, until later this month.

Japanese Bonds Sink in London

Immediately on receipt of the news of the coup in Shanghai, local cash shops were besieged by holders of yen to cash them, The rate as between Shanghai dollars and yen, as a result, dropped sharply at the shops, but the net result so far is that whereas several days before the incident the rate stood Yen 100 eq. $97.68, it now stands Yen 100 eq. $96.97. In London on Feb. 27 Japanese bonds sank rapidly (by 2¼ to 2¾ points). There was a drop in the U.S. dollar to Yen exchange, the drop being U.S.$0.15 per hundred yen.

The forces enforcing martial law in Tokyo were strengthened in the morning of Feb. 27 by the landing of marines by the First Fleet.

In a proclamation issued Feb. 27 Lieut.-Gen. Kashii, Garrison Commander, who was ordered to head the troops enforcing martial law, declared that the purpose of the measure was "to protect important public establishments and to prevent subversive activities by red and other elements." The administration and the conduct of judicial affairs, he added, would be taken over by the military. Maj.-Gen. Toji Yasui, his chief of staff, who was placed in command of police forces.

The incidental regulations banned public assemblies and suspended the publication of newspapers and magazines, or the insertion of advertisements, which "might disturb peace and order in the present circumstances." The ordinance instructed the two officials to see to the uninterrupted maintenance of communications.

Censorship on all outgoing telegraph messages was lifted Feb. 29 at 8 p.m. In a statement issued at 7 o'clock the same evening, Gen. Yoshiyuki Kawashima, Minister of War, blamed his "lack of virtue" for the disturbances. "I cannot fully express my consternation at the dark page written by this unprecedented rebellion among the troops stationed near His Majesty and the consequent concern this has caused him. This serious disturbance of the public peace led to the proclamation of martial law leaving a big blot on the honor of the nation and of the army, not only at home, but abroad, as well," his statement declared.

No case of injury of molestation was reported by United States citizens during the crisis, according to a despatch received in Washington Feb. 29 from the United States Ambassador to Japan, Joseph C. Grew.

By the night of Feb. 29 Tokyo had regained its normal life. The Ginza, the nation's "Great White Way" was crowded with usual throngs, the city communications resumed their mornal schedules, and the huge buildings of the Metropolitan Police Board and the Ministry of Interior, which were among the first points captured by the mutinous troops were again brilliantly lit after being in darkness for four nights.

All commodity exchanges in the major cities, including Tokyo, Osaka and Nagoya, opened for business Mar. 2.

Strict Censorship Delays News in Japan

This military revolt furnished another example of the fact that news of an event is sometimes available at a distance which is not available to those near where it occurred. Thus we find that the *Japan Times* (semi-official organ) of February 27 (the day following the "Feb. 26 incident," as it was termed in an official Tokyo War office announcemnt) contained not a line about the event. At the same time the newspapers in Shanghai were printing columns abour the matter, supplied by three news agencies. The *Japan Advertiser* of Feb. 27 published less than a column—not one word more than that contained in the War Office and Home Office official announcements, and one official notice over the radio.

The news of the event reached the outside world from Shanghai and Singapore.

The *Japan Chronicle* on the morning following the coup appeared without one line concerning it; but instead there was an editorial entitled:—"The Necessity of a Free Press."

The following day, however the *Chronicle* had a complete account of the incident, and incidentally published an editorial beginning as follows: "Although the *Chronicle* was not allowed to publish the news yesterday, the Japanese press issued extras the previous night announcing the death of Admiral Viscount Saito and the announcement was also made by the radio. We owe an apology to our readers, but must plead *force majeure*; we cannot explain the discrimination exercised, or understand its object."

Prince Konoe Named Premier, but Declines Post

The Privy Council on Mar. 4 named Prince Konoe as the new Premier, but the Prince declined the post.

The result has been a deadlock. Prince Konoe, who is a comparatively young man—he is only 44 years of age—is a Rightist, and comes of a distinguished family which has had long connection with the Throne.

The prince said he would like to consider the matter. He retired, and returned an hour later to have another audience of the Emperor, at which, pleading ill health, he took the almost unprecedented step of asking His Imperial Majesty for permission to decline the offer.

Tsuneo Matsuadira, the Japanese Ambassador in London, has, it is reported, been selected as Minister of the Imperial Household in succession to Kurahei Yusasa, who in turn has been chosen Lord Keeper of the Privy Seal, the post rendered vacant by the assassination of Admiral Viscount Saito.

Seven Army members of the Supreme Military Council Mar. 3 agreed that while there was a need for a purge in the Army ranks, there was a similar need for reforms in the Government.

The Death Roll Among the Mutineers

Major Amano, attached to the Third Regiment, was found dead from a self-inflicted wound in the south corner of the regimental drill ground, "after failing to prevail upon the mutineers to desist from their action," according to a communique. Major Katsuoka, a member of the Military Affairs Bureau of the War Office, was shot in the face by a rebel officer as he attempted to break through the cordon of the insurgents to reach Gen. Yoshiyu Kawashima, Minister of War, to report to him on the events.

The officially-announced death toll of participators in the mutiny was 10, with two wounded. Five policemen were killed.

Major Amano, who has served with the Third Regiment since his days as a cadet, was in charge of the armory. Ordered by his commander to induce the rebels to return to their barracks, he called on several occasions on the leaders of the rebellion. When the situation reached a critical stage on Friday, he again sought an interview, but was prevented from reaching the chief plotters by the strict cordons maintained by the insurgents. Disappointed and feeling responsible for the developments, which were rapidly moving to a crisis, he shot himself in the throat.

Major Katakura, the announcement said, was on his way to his way to his office on Wednesday morning when he saw rebel troops in occupation of the Miyakezaka area, where the War Ministry is located. In view of his position, he immediately proceeded to the residence of the War Minister, which is situated behind the War Office. As he sought to enter the residence, he was stopped by a rebel officer who thrust a saber at Major Katakura. "How dare you move His Majesty's troops without Imperial orders?" Major Katakura is said to have exclaimed.

The answer was a pistol shot from a man wearing an infantry captain's uniform who was standing by. Wounded in the face, Major Katakura staggered and fell. He was picked up by Capt. Masao Yamazaki one of his colleagues who had followed him and was taken to the a nearby hospital where the bullet was extracted. Major Katakura served in the Siberian expedition of 1918-1920 and in the Manchurian Incident.

British Journalist Sentenced to Imprisonment for Spreading "False Reports"

A telegram from London Mar. 3 said it was understood that Britain would probably make representations in Tokyo protesting against the arrest of Gerald Sampson, British newspaperman, who was taken into custody at the time of the coup in Tokyo last week. Mr. Sampson was sentenced to 20 days imprisonment on the charge of having spread false reports regarding the event.

Chinese Comments on Coup

According to a survey of the Chinese press, made by the *Kuo Min News* Agency, the Japanese military coup was regarded with great anxiety. The *Sin Wan Pao* viewed with extreme seriousness the situation in Japan as a result of the coup and its possible repercussions on Sino-Japanese relations. "The present trouble is the outcome of the struggle between the Constitutionalists and the more extremist elements among the political and military leaders and no matter which clique gets the upper hand, diplomatic issues will be affected. If the younger military party wins, it is unquestionable that they will pursue their program of military expansion abroad. If they fail, whoever forms a new cabinet will alter the policy of the old cabinet; and in order to restore internal peace will divert the attention of the country to foreign affairs," the paper stated.

While admitting that it is difficult to predict the future, the *Shun Pao* asserted the present revolt will certainly react on Sino-Japanese relations. The reason for the coup is due, in its opinion, to the culmination of the struggle between the fascists on the one side and the feudalists together with the capitalists on the other. The immediate causes of the trouble are ascribed to (1) the results of the recent general election which showed a complete victory for the Minseito Party; (2) the Nagata murder last July; (3) the tense Soviet-Japanese relations, with the extremists advocating war and those in the Government favoring peace; (4) the Government's opposition to a larger military budget.

The *China Times* saw in the coup the hands of the Japanese fascists. Not only will the Far Eastern situation as a whole be affected but the peace of the peace of the world will also depend upon the outcome.

Reports of the military coup in Tokyo monopolized the front pages of all Chinese papers in Nanking Feb. 27, which expressed the opinion that the revolt was an expression of the struggle of military extremists for political supremacy. The papers concurred that the success of their movement will have extremely serious repercussions in the Far East, especially in connection with Sino-Japanese relations.

The Nanking *Morning News* voiced the opinion that the ascendancy of Japanese Fascists will give a freer rein to political fanaticism in Japan.

The events in Tokyo, according to the *Sin Min Pao*, have forcibly focussed the world's attention on the growth of Japanese Fascism, which has been a very prominent feature of Japanese politics in recent years, especially since the 1931 Mukden incident.

The *Hsin Ching Ji Pao* declared that whether they succeed or fail, the younger military clique in Japan will continue to cause concern for both Japan and the world. Expressing the hope that the situation in Tokyo will soon be brought under control, the paper saw possible reaction among the Japanese people as a result of the outrages.

Chinese circles in Canton, paid very close attention to the developments in Tokyo. While Southern officials generally refrained from commenting on the coup, the general opinion was that it will have far-reaching repercussions on China. The majority of the Chinese newspapers in the south expressed the belief that, hereafter, the Japanese military authorities would fearlessly and openly carry out their Continental policy, and try to assume complete dominance of Asia, including Siberia.

The official *Min Kuo Erh Pao* (Canton) declared that the outrages in Tokyo were the result of a longstanding and bitter party quarrel. The coup, it added, was to be expected, and graver happenings in the future are not unlikely.

The Nanking Foreign Office Feb. 27 telegraphically instructed Ting Shao-chi, Charge d'Affaires of the Chinese Embassy in Tokyo, verbally to convey to the Japanese Government the condolence of Gen. Chiang Kai-shek, President of the Executive Yuan, and Gen. Chang Chun, Minister of Foreign Affairs, over the death of the four Japanese Government leaders during the coup.

Chinese officials called at the Japanese Embassy in Peiping, Feb. 27, to offer condolences.

American Comment on the Japanese Coup

Telegrams from Washington stated that concern was evident in U. S. government quarters over the developments in Japan, but comment was restrained pending clarification of the situation. William Phillips, Assistant U. S. Secretary of State, replying to a question Feb. 27 said he did not think the situation in Japan would have an adverse effect upon the London Naval Conference. It was even possible, he added, that there would be a greater willingness on the part of Japan to compose her naval differences with the United States and Great Britain.

The importance of the coup in Tokyo was minimized by Senator Elbert D. Thomas, a member of the U.S. Foreign Relations Committee, who spent a long period of time in Japan. "There is insufficient background for the usupers to become an immediate threat to the Orient," he said.

The *New York Times* Feb. 27 commented:—"The long struggle for supremacy between the civil and military powers in Japan has plainly come to a head. Japan cannot go on for ever proudly defying the world and the Army cannot offer Japan a hundred per cent guarantee of victory."

The New York *Herald-Tribune* attacked the Japanese military groups responsible for the uprising, and appealed to the Imperial Court to "pronounce such murderous orgies cowardly, shameful and unpatriotic."

Karl Radek Says Shooting of Ministers Becomes Favorite Sport in Japan

Karl Radek, commenting in Moscow *Izvestia* on the events in Japan, pointed out that the secret military fascist organizations were able to calmly unfold their work, since each time their members

were under trial for terrorist attempts they came out of the water dry, getting off with slight punishment, but surrounded by a halo of patriotism. The shooting of ministers became the most favorite and safe sport in Japan. The impulse of the latest action of the conspirators was given by the mistaken calculations that the leaders of the fascist tendency made regarding the elections. They comforted the military youth with the prospect of an electoral victory. They succeeded in coming to an agreement with the Seyukai, the main reactionary nationalist party, but the Seyukai was defeated in the elections and what is more important, not as a result of the usual election machinations but as a result of the growth of the anti-fascist, anti-war disposition of considerable masses of voters.

Moscow *Pravda* commented:—"The Japanese military fascist elements should convince themselves that their mass base is becoming unstable and that their influence has already passed its peak. The military plot of Feb. 26 was the answer of the military fascist elements to the voting of Feb. 20. Evidently the forthcoming changes in the army played a certain part since they could lead towards further weakening of the position of the followers of Araki."

Serious danger to the peace in the Far East and more especially to the future of Sino-Japanese relations was seen by London Foreign Office observers, commenting on the possibility of a decisive victory of the military class over the moderates in Japan, as a result of the Tokyo rebellion.

The London *Evening News* commented:—"The Japanese coup is attributed to dissatisfaction of younger officers with the Government's expenditure for fighting services. Yet, seeing that the expenditure in question already absorbs nearly half the national revenue, it is clear that some deeper motive underlies this discontent. Perhaps it is not so much the amount of money alloted, as the fact that the army and navy have to come to politicians for it."

Saito Pledges Peace in Pacific—Says Militarists Are Menaces

A pledge that peace in the Pacific would not be disturbed by the Tokyo rising was given by the Japanese Ambassador, Mr. Saito, in a broadcast from Washington, Feb. 29 in which he attacked militarists as menaces to their country. Mr. Saito declared that should they gain control of the Japanese Government it would be a disaster for Japan, but he pointed out that neither the majority nor the best Japanese military men were "militarists;" military men were benefactors of, but militarists were menaces to the country. Recent events, he said, would not alter Japan's policies either at home or abroad, except that the statesmen responsible for government would have their sense of patriotic devotion quickened and would endeavor to exercise even more care in putifying politics.

How a Shanghai Pro-Japanese Organ Saw the Event

The *China Digest*, pro-Japanese Shanghai journal, prefaced its account of the Tokyo rebellion and murders with a historical paragraph referring to the large numbers killed in the German "putsch," the killing of Dolfuss in Austria, the attempt on President Roosevelt and the murder of Senator Huey Long and, since political murders are infrequent in England it was necessary for the writer to go back to war days and the killing of Sir Henry Wilson by an Irish fanatic. Following this introduction, the account in the *Digest* continued, "And now come the terrible vents of this week in Tokyo where, etc., etc."

Trial of Col. Aizawa Is Indefinitely Postponed

Further sessions of the court-martial of Lieut.-Col. Saburo Aizawa, confessed slayer of Lieut.-Gen. Tetsuzan Nagata, were indefinitely postponed as from Feb. 27, when the eleventh hearing was scheduled to be held.

"Ban Is Placed on a Certain Shooting Incident"—Too Late to Stop Some Papers

The Teito *Nichi Nichi* Feb. 24 contained the information that the judicial authorities would punish with fines the newspapers which ignored the official ban on Feb. 21 in publishing news concerning "a certain shooting incident which occurred in Tokyo on the morning of Feb. 21." The notice came after the local papers were printed. In issuing the third evening city editions the *Nichi Nichi*, *Hochi*, *Kokumin*, *Jiji* and *Chugai* printed the prohibited news at the risk of fines being imposed upon them. The newspapers' representatives maintain that the officials were wrong in not giving due consideration to the closing time at the news desks. "If the authorities really adopt the definite attitude they mention, the newspapers will induce the Twenty-First Society, a body of newspaper executives, to move and take counter-measures. The outcome of the present trouble is worth watching. The official notice banning the news came some 20 to 35 minutes before the evening editions were out," the journal commented.

Japan's Trade in February Shows Unfavorable Balance

Japan's foreign trade in the last ten-day period of February resulted in an unfavorable balance of Yen 12,533,000, with the exports totalling Yen 73,357,000 and the imports reaching Yen 85,890,000, the Ministry of Finance announced Feb. 2. The total unfavorable balance since the beginning of the year has been brought up to Yen 145,277,000.

Japanese Cotton Mills to Continue Curtailment Scheme

Decision to maintain the present restriction scheme, providing for a 26.2 per cent curtailment of production, during April and May, was reached by the Japan Federation of Cotton Spinners in Osaka March 1.

Chinese Women Sent to Japan by Ministry of Industry

A group of Chinese women, sent to Japan by the Nanking Ministry of Industry, visited the Chamber of Commerce and Industry and the Farmers' Hall in Osaka Feb. 29 in the first leg of an extensive tour of inspection of Japanese agricultural and sericultural activities.

One of the results of the Minseito (Government) party in the recent elections was a sharp rise in industrial stocks particularly those connected with the munitions and armament industry.

Japan's National Wealth Would Cover Wartime Expenses Only a Few Months, Chinese Research Worker Says

Chien Ching-jui, formerly a research member of the Academia Sinica and now editor of the Living Book Co. in Shanghai, in a recent public address in Nanking pointed out that the present Japanese national wealth can only cover her expenses for an eventual war for only a few months. This estimate was based on a study of Japan's silver reserves and other resources. An even more difficult and dangerous problem for Japan, Mr. Chien said, is the increasing depression in her rural economy.

Pleasantries by Mr. Takahashi Just Before His Assassination

In view of subsequent events, there is a pathetic note in this paragraph in the Tokyo *Nichi Nichi* of Feb. 26:—At yesterday's Cabinet meeting Finance Minister Takahashi was in a happy mood because of the sweeping Government victory at the polls. Railways Minister Uchida said: "The victory is entirely on account of Takahashi Finance." Communications Minister Mochizuki responded thereto, saying: "As I listened to Mr. Uchida's speech, Mr. Takahashi was treated as God. Mr. Uchida deserves a good dinner for a treat from Mr. Takahashi."

Smiling, Mr. Takahashi said: "Is that so? Am I God? But I have never heard of God treating men to dinner. How about all of you making offerings to God?"

Movement Is Started to Keep Suzuki in Office

The *Tokyo Asahi* Feb. 26 stated that while the retirement of Dr. Kisaburo Suzuki, president of the Seiyukai, is regarded as only a matter of time and way, a section of circles close to Dr. Suzuki has started a movement to keep the president in office in connection with the proposed resignation Yoshihisa Kawaguchi, elected from the second constituency of Kanagawa Prefecture, in favor of the Seiyukai president defeated in the same constituency. The movement has influenced the other sections close to the president so that they have come to adopt a cautious attitude regarding the matter.

President Roosevelt Signs Bill Extending Neutrality Law

President Roosevelt Feb. 29 signed the Bill, passed the previous week by both the Senate and the House of Representatives, extending the Neutrality Law until May 1, 1937. The measure, which is designed to ensure the neutrality of the United States in the event of a European conflict, prohibits loans to warring nations and renders it mandatory on the President to declare an embargo on shipments of arms and munitions to belligerents in case of an outbreak of war. It also forbids American citizens to travel on ships belonging to belligerents, and denies American ports to warships belonging to belligerents.

By barring loans to warring nations, the new Neutrality Law is a new definite step towards preserving the neutrality of the United States, declared President Roosevelt in a statement.

Britain Will Increase Its Defenses

A White Paper issued in London March 3 envisages heavy increases in Britains defenses. In it appeared a paragraph to the effect that the history of the Italo-Abyssinian dispute and Britain's action in regard thereto illustrated how claims upon the Empire's defensive strength might arise at short notice in various parts of the world. The laying down of two capital ships in 1937 heads the list of proposed increases. The white paper also contained this significant paragraph: "We have to carry through limited a period, measures which will make exceptionally heavy demands upon certain branches of industry and certain classes of skilled labor without impeding the course of normal trade. This will require the most careful organization and the willing co-operation of both leaders of industry and of trade unions."

Arita Optimistic Over Future of Sino-Japanese Relations; Red Situation in Shansi Serious

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Arita Asserts China Has Accepted Hirota Program in Principle.**
2. **Isogai Says Nanking Not to Be Japan's Sole Partner in Talks.**
3. **Doihara Leaves Peiping for Japan to Be Replaced by Higher Officer.**
4. **Hsu Shih-ying Stresses Internal Reform as Prerequisite to Diplomatic Success.**
5. **Japan Will Fight Reds If North China Menaced, Declares Imai.**
6. **Over Ten Thousand Communists Cross Yellow River into Shansi Province.**
7. **Mutineers of Pailingmiao Mongolian Council Explain Reason for Action.**
8. **Prince Teh Is Reported to Be Planning Independence Action.**
9. **Manchukuo Officials Active in Peiping and Tientsin.**
10. **Hu Han-min Representative Joins Hopei-Chahar Political Council.**

Hachiro Arita, the new Japanese Ambassalor to China, declared in an interview with *The Shanghai Evening Post* February 29 that he was "rather optimistic" regarding the future of Sino-Japanese relations and he also envisioned a new era of international harmony in China with the three major powers concerned—Japan, Great Britain and the United States—according mutual recognition to and respect for each other's rights and interests. Mr. Arita emphasized that this did not mean any new formal international agreement concerning China but did mean maintenance of the "Open Door" policy with regard to trade and no interfertnce with other existing interests of any nation. Mr. Arita reiterated the statement of an Embassy spokesman to *The Shanghai Evening Post* Feb. 28 that the February 26 incident in Tokyo would not cause any change in Japanese policy. He said that the era of "double diplomacy"—by the War Office and Foreign Office—was past. "There will be of course," he added, "close cooperation between the military and the Foreign Office on China policy, but diplomacy is entirely in the hands of the Foreign Office, and naturally the Ambassador to this country is the only accredited diplomatic spokesman." Interviewed on Hirota's much discussed three points, one by one, Mr. Arita said they were to be taken as guiding principles and the concrete details would be worked out later. He emphasized that reports to the contrary notwithstanding these three points had been accepted in principle by Nanking. On the first point—suppression of anti-Japanese organizations in China,—he was asked if the Kuomintang was regarded as anti-Japanese. He could not answer, he said, until he had made a study of the present policies and activities of the Kuomintang. Asked if the second point—economic co-operation between China, Japan and "Manchukuo" meant that the Japanese would insist on Nanking's *de jure* recognition of the new "state," Mr. Arita said that was a desired objective, he could not yet say whether it would be insisted upon. Nor had the concrete nature of the planned "economic co-operation" been yet outlined. The third point—Sino-Japanese co-operation for the suppression of communists—Mr. Arita said was the most important but he declined to commit himself on whether this was intended to mean a Tokyo-Nanking alliance against the Soviet Union.

Mr. Arita presented his credentials as the Japanese Ambassador to China to Lin Sen, Chairman of the National Government, on March 6. The presentation ceremony was held at 11:30 o'clock in the morning at the aulitorium of the National Government.

Negotiations designed to place Sino-Japanese relations on an amicable basis will be commenced by Mr. Arita with the leaders of the Nanking Government in the middle of April, *Domei* reported from Tokyo Feb. 28. The conversations, it was further reported, will not take the form proposed by the Chinese Government, being conducted instead "as informally as possible."

ISOGAI SAYS NANKING NOT TO BE JAPAN'S SOLE PARTNER IN TALKS

"The Nanking Government will not be our sole partner in the negotiations designed to readjustt Sino-Japanese relations. In areas where it exercises no control, we shall be obliged to deal with local authorities," said Major-Gen. Rensuke Isogai, Military Attache to the Japanese Embassy in China, on Feb. 27 in his first press interview since his return from Tokyo. "China's national characteristics differ from those of any other country, and the interests of its Government do not necessarily coincide with the aspirations of the people," he said. "Accordingly, in the forthcoming conversations on the readjustment of Sino-Japanese relations, we shall always have before us the welfare of the Chinese nation. This is the sole way left for us." Diplomatic means must be employed to secure lasting peace in the Orient, the Japanese officer continued, emphasizing that every obstacle to this end must be removed by all means within command. Both China and Japan must be ready to endure the hardships that may follow. The people and the Government of Japan have already made this pledge. Gen. Isogai strongly denied that Japan's policies were imperialistic. "We need not refute this opinion," he said, "facts do that for us."

Emphatic denial of the Chinese belief that last week's military mutiny in Tokyo would lead to major changes in Japan's policy towards China was made March 3 by the *Shanghai Mainichi*. "The Tokyo incident," the paper said, "was too serious to permit comments on it before all the details are known. "It is certain, however, that the new administration will put its shoulder first of all to internal problems. It is also certain that the China policy, which is a matter of life and death to the Japanese Empire, must remain unchanged." "Under the new Cabinet, the *Mainichi* concluded, "Nippon's policy towards China will be clear and definite, thus facilitating the projected readjustment of Sino-Japanese relations."

DOIHARA LEAVES PEIPING TO BE REPLACED BY HIGHER OFFICER

Major-General Doihara, of the Kwantung Army, left Peiping for Mukden March 3 and would visit Changchun before returning to Tokyo. He said he would be replaced by a higher officer from Tokyo. He will not return to China, having been given a post in the Japanese Army. "Japan does not aim at making North China a second 'Manchukuo,' completely separated from Nanking," but is seeking to make the region "an experimental ground for actual Sino-Japanese rapprochement by means of economic and military co-operation." These were the parting words of Major-Gen. Kenji Doihara, for the past four years director of the Special Service Division of the Japanese Kwantung Army and representative in North China of the Nipponese forces on the Continent since 1935, as he bid farewell to Japanese correspondents in Peiping March 2. "I am confident that the situation in North China, where all necessary fundamental measures have been taken, will soon see a decided improvement," Major-Gen. Doihara said. "The Hopei and Chahar Political Council, however, will face serious difficulties, I am afraid, in reconciling the question of the East Chahar administration and the demands of the Nanking Government. "However, I am sure that, with good faith and honesty, the authorities in power will

be able to overcome all these obstacles in the realization of real Sino-Japanese co-operation in North China," he asserted. According to a latest report, Maj.-Gen. Doihara would visit General Han Fu-chu, Chairman of Shantung, at Tsinan, before returning to Japan.

HSU STRESSES INTERNAL REFORM AS PREREQUISITE TO DIPLOMATIC SUCCESS

Hsu Shih-ying, the new Chinese Ambassador to Japan, who was met outside Tientsin by a special train carrying General Chin Teh-chun, Mayor of Peiping, and General Hsiao Cheng-yin, Mayor of Tientsin, arrived at Peiping March 1 from Nanking. He was greeted at the station by General Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council. Shortly after arrival, Mr. Hsu motored to General Sung's residence and plunged into a conference with him and other members of the Hopei Council on North China affairs. Interviewed by Chinese newspapermen, Mr. Hsu declared that he had come to Peiping for two reasons, first, because he had not been in Peiping for 11 years, and second, he wanted to have informal talks with General Sung concerning North China, as he thought this would be useful to him in Tokyo.

"We must first put our own house in order before we can really make any progress in our foreign relations"—is the frank response of Mr. Hsu, in answer to an inquiry of General Sung Cheh-yuan concerning his diplomatic views, according to a *Kuo Min* message from Peiping. Referring to North China, Mr. Hsu said that in view of the distressful condition of the people, who have been reduce to the direst straits, steps should first be taken to alleviate their sufferings. The Northern leaders must not lose sight of the fact that a country can become strong when it is rich and become weak when poor; and in order to enrich the country, the livelihood of the people should first be improved.

Ending his short stay in Peiping, Mr. Hsu arrived at Tientsin March 2 in company with General Hsiao Cheng-ying, Mayor of Tientsin, and Wang Yi-tang, member of the Hopei and Chahar Political Council. Immediately after his arrival Mr. Hsu proceeded to the City Hall, where he was the tiffin guest of the Mayor. Mr. Hsu departed for Nanking by train the same evening.

Dr. H. H. Kung, Minister of Finance, received Y. Suma, Japanese Consul-General at Nanking, March 3. During the interview Dr. Kung is understood to have inquired about Japan's financial situation after the death of Mr. Takahashi, the late Japanese Minister of Finance.

CHINA PROTESTS AGAINST JAPANESE AIRPLANE FLIGHTS

The Ministry of Foreign Affairs filed a protest with the Japanese Embassy at Nanking March 2 against the repeated flights of Japanese planes in North China during recent months, according to *Central News*. Besides reminding the Japanese authorities to respect China's severeignty, the note states that appropriate measures will be taken by the Chinese Government against future recurrences. It may be recalled that several protests have been filed by the Chinese Foreign Office with the Japanese Embassy against the illegal flying of Japanese planes, but no satisfactory answer has as yet been received.

A Japanese airplane from Changchun and another from Suiyuan arrived at Tientsin March 1 carrying with them an officer of the Japanese Kwantung Army and the Japanese military representative in Suiyuan respectively. These two Japanese officers conferred with Major-General Tada, Commander of the Japanese Garrison forces in Tientsin at noon. In the afternoon, the two planes took off for Changchun to report to General Minami, Commander of Japanese Kwantung Army in Manchuria.

Five Japanese, of whom four are connected with the South Manchuria Railway Company, arrived at Sian Feb. 29 from Loyang on an investigation tour.

Kazue Kuwashima, chief of the East Asia Bureau of the Foreign Office, will be dispatched to Manchuria and China for observation of the conditions on tne spot and have contact with officials abroad, according to a decision reached by Koki Hirota, Foreign Minister, reported *Hochi Shimbun* Feb. 19. Mr. Kuwashima will leave Tokyo early in March, accompanied by Ichiro Ohta, secretary of the first section of his Bureau, for Changchun, and after visiting various Manchurian cities, will visit Peiping, Tientsin, Tsingtao and other North Chinese sections, and if time permits, visit Shanghai and Nanking.

STANDING COMMITTEE OF HOPEI-CHAHAR POLITICAL COUNCIL ABOLISHED

At its meeting Feb. 28, the Hopei and Chahar Political Council decided to abolish its Standing Committee and concentrate its duties on the Chairman, Gen. Sung Cheh-yuan.

Another decision reached at the meeting was to revise the regulations governing the organization of the Economic Committee of the Council. Six new members of the Economic Committee were also appointed. For taking care of educational, reconstruction, and communications affairs in the provinces under the jurisdiction of the Council, three special committees were also created.

With the mission of interviewing high Government leaders on behalf of General Sung Cheh-yuan, Gen. Shih Ching-ting, Chief Counsellor of the Hopei-Chahar Political Council, arrived at Nanking Feb. 28 from Peiping. Shortly after arrival Gen. Shih called on General Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission. Gen. Shih called February 29 on Gen. Chiang Kai-shek, President of the Executive Yuan, to report on current political conditions in Hopei and Chahar. Sino-Japanese negotiations in Peiping over the east Hopei situation are progressing smoothly, General Shih told the press at Nanking March 1. General Shih asserted that the Chinese authorities in North China insist on the abolition of the bogus government at Tungchow as the preliminary step toward discussions over other outstanding Sino-Japanese issues in Hopei and Chahar.

HU HAN-MIN'S REPRESENTATIVE JOINS HOPEI-CHAHAR COUNCIL

Chinese circles in Peiping are evincing a great deal of interest in the visit of Jen Tao-yuan, a representative of Hu Han-min, the Canton leader, who arrived at Peiping Feb. 27. Mr. Jen called on General Sung Cheh-yuan shortly after his arrival and handed to him a letter from Mr. Hu. Interviewed by Chinese pressmen Mr. Jen said that he would remain in North China for some time as "contact man" between Mr. Hu and the Hopei and Chahar Political Council. Mr. Jen has been made a member of the Foreign Relations Committee of the Council.

To insure efficient administration in the various districts, a thoroughgoing check-up of the qualifications and ability of magistrates in Hopei and Chahar provinces will be conducted personally by Gen. Sung Cheh-yuan. The total of 146 magistrates for the two provinces has been divided into four batches for the examinations, the first of which began March 1. The first batch, composed of more than 30 magistrates from Hopei, has already arrived in Peiping in readiness for the tests which will be written and oral. Examinations for the second group will commence on March 11, for the third March 21 and the fourth April 1. Results of the 10 day examinations for each of the 146 magistrates will be announced after careful perusal by the examination board.

Chen Chung-fu, Chairman of the Foreign Relations Committee of the Hopei and Chahar Political Council, stated at a press reception March 2 that the Committee was organized under the order of the Central Government, which has entrusted it with the task of handling foreign affairs in North China.

"MANCHUKUO" OFFICIALS ACTIVE IN NORTH CHINA

Li Shao-keng, Minister of Communications of the "Manchukuo" Government and a number of officials of the puppet state, have secretly arrived at Tientsin and are reported to be extremely active in the Japanese Concession, according to a *Shun Pao* dispatch. According to another report, several groups of "Manchukuo" officials attached to the Ministries of Finance and Communications have also arrived to investigate the financial and communication works in the district.

JAPAN WILL FIGHT REDS IF NORTH CHINA MENACED

In an interview with foreign correspondents Feb. 28 Major Imai, the Japanese Military Attache at Peiping, was questioned events in North China, particularly the communist situation in northwest Shansi. Concerning Tokyo, Major Imai was hopeful of an early settlement of the affair. He said his information was that reds numbering between three and four thousand crossed the Yellow River from Shensi into Shansi on February 21 near a place called Wuho. They had since moved towards Luling and were now roughly occupying a line from Lihsi to Hsilo. More reds, totalling between two and three thousand, were reported to be on the banks of the river endeavoring to make a crossing into Shansi a little north of Wuho. Major Imai regarded the situation as being rather "serious." Asked if Japanese troops would do anything to combat this red menace, he said he hoped that General Yen Hsi-shan would be able quickly to dispose of the trouble. If the reds should get into Honan from Shansi and join up with the Honan Reds, then he thought the situation might become very serious. He could not predict at this stage what the Japanese authorities would do, but he thought that, if General Yen was unable to oust the reds, he would be assisted by General Sung Cheh-yuan's forces. The Japanese authorities of the North China garrison had no intention to send troops to Shansi to fight these reds. In reply to further questions, Major Imai said if Japanese lives and property in North China were menaced by the reds, then Japanese action would be taken.

Orders to launch a general attack upon the Red forces now nearing Taiyuan have been issued by Gen. Yen Hsi-shan following a conference of high military officers, according to a *Domei* report March 3.

A state of emergency has been declared in Taiyuan, following the capture of Chungyang, 150 kilometers southwest of the Shansi Capital, by Red troops, *Domei* further reported. Chungyang, the report added, was captured by Mao Tse-tung's bands after a severe clash with two companies of Shansi provincial troops. The city is now governed by a Soviet administration.

Attempts made by the Communists from Shensi under Hsu Hai-tung and Peng Teh-huai to penetrate eastward into Shansi have been frustrated by Shansi provincial troops under the command of Gen. Yen Hsi-shan, according to *Central News*. Serious fighting occurred on Feb. 29 in the Puhsien and Chowhsien districts, about 125 miles southwest of Taiyuan and near the Shansi-Shensi border, between the government forces and the Red troops. More than ten districts in that region have been recovered by government troops as a result of the severe encounter. The Reds are now fleeing back towards the Shensi border.

ANXIETY FOR AMERICAN MISSIONARIES IN SHANSI ALLAYED

Anxiety felt in Peiping for the safety of an American missionary group numbering about 20 stationed in Fenchow, Shansi, in which district the Reds are stated to be now operating, has been allayed with receipt of news that they are safe. The American Board Mission has its biggest station outside Peiping at Fenchow, including a large hospital and a middle school. The missionaries there number 15 adults and either five or six children. The American authorities recently requested the Shansi provincial authorities to afford protection to all Americans in Shansi. A reply has been received stating that full protection will be afforded. The American authorities have, meanwhile, issued warnings to all Americans near Shansi of the Communist danger zone.

The latest reports from Shansi state that the bands of Reds who have crossed the Yellow River and entered the province now total at least 10,000 men. They are now ravaging the southwestern section of Shansi. It is stated that the troops of Generals Wang I-sheh and Yu Hsueh-chung, stationed in Shensi, have entered Shansi in pursuit of the Reds, who are expected to move southwards in an endeavor to enter Honan.

The office of the Pacification Commissioner of Shansi and Suiyuan has concentrated a large force in preparation for a drive against the Communists but owing to the fear that more Communists will cross the river from Yungho and Chihsien, when and where this drive will be launched remains to be settled. As soon as the intentions of the Communists become clear, superior forces and weapons will be thrown against the outlaws. As the Communists are without the support of the masses and as their supplies are running short, it will not be difficult to exterminate them at one stroke.

LARGE REWARDS OFFERED FOR CAPTURE OF RED LEADERS

Large cash rewards for the capture of Communist chieftains were offered Feb. 28, when the Generalissimo's Provisional Headquarters at Chengtu announced a $80,000 compensation to anyone for the capture alive of either one of the two notorious Red commanders, Hsiao Ke and Ho Lung. Anxious to eradicate the pillars of Communist depredations, it was also announced that $50,000 reward would be given for the slaying of either Hsiao or Ho, who are now reported to be surrounded gy Government troops at Pichieh on the Kweichow-Yunnan-Szechuan border. Other rewards were also offered namely $10,000 for the capture of any Red leader of the rank of divisional commander, and $2,000 for killing same; $3,000 for the capture alive of any Red leader of the rank of regiment commander and $1,000 for killing same.

Meanwhile, reports have reached Kweiyang from Chungking to the effect that Hsu Hsiang-chien, one of the Red chieftains who had been spreading terror in West Szechuan, recently met death at the hands of Government Air Corps during an air raid on Tienchuan, on the Szechuan-Sikong border. This informaation was revealed by one of the captured Reds at Tienchuan which was recently recovered.

General Chang Hsueh-liang, Acting Commander-in-Chief of the North-western Bandit-suppression Forces, arrived at Nanking from Sian, provincial capital of Shensi, by airplane Feb. 26. He called on General Chiang Kai-shek, President of the Executive Yuan, to report on the bandit-suppression operations in the North-west.

After the recapture of Paoshing in western Szechuan, the 5th Route Army continued its lrive westward and recovered Yeh Maochi, east of Paoshing, on Feb. 17. The main body of the bandits, numbering about 9,000 are reported to have fled to Lianghohou, northwest of Paohsing.

Recapture by Government forces of Pichieh, the local point of the anti-Red operations on the Kweichow-Szechuan-Yunnan border, is now confirmed at Kweiyang. Though details of the capture of the city were lacking, the fact that Government troops have sent a message through from Pichieh indicates that the city is now in Government hands. An army communique states that the defeated Reds are now fleeing in a southwesterly direction towards Weining, situated on the central Szechuan-Kweichow border.

MUTINEERS OF PAILINGMIAO COUNCIL EXPLAIN REASON FOR ACTION

What was described in current dispatches from Peiping as a mutiny of a detachment of Mongol troops under Prince Teh at Pailingmiao was explained in a telegram received at Nanking Feb. 26 by the National Government from those who directed the "mutiny." The wire was signed by Yun Chi-hsien, Su Lu-tai, Chia Hung-chu, Jen Ping-chun and Kang Chi-min, sectional chiefs of the Mongolian Political Council, all of whom are graduates of universities in Peiping and Nanking. During the past two years, the young Mongol leaders state in their telegram, they have faithfully and loyally worked under Prince Teh with the one object of cementing and promoting closer relations between the Mongol people and the National Government. However, the telegram proceeds, since the departure last winter of Prince Teh from Pailingmiao for east Chahar, no definite word has been received from him regarding his attitude, and meanwhile a crop of rumors has arisen. Some of these rumors were to the effect that Prince Teh had appointed Commander Li Shou-hsin of "Manchukuo" as Minister of War of a new regime in Chahar. Under such circumstances, therefore,

the telegram reports, they, together with upwards of 100 staff members of the Council and more than 1,000 troops, found it expedient to establish a separate camp to the south of Pailingmiao. Their departure, the wire proceeds, was was primarily prompted by the unfavorable situation in existence since the attitude of Prince Teh became ambiguous, and they are now as loyal to the National Government as before. Furthermore the young Mongols emphasize the Suiyuan Mongol Local Autonomy Council has been decreed to be organized and being natives of Western Mongolia they wish to come under the control of the Suiyuan Council.

The detachment of over 1,000 Mongolian troops which departed from Pailingmiao last month have now gathered at Wuchwan about 30 kilometers north of Kweihua, according to telegraphic information from Gen. Fu Tso-yi, chairman of Suiyuan. Gen. Fu's telegram states that the Suiyuan provincial administration has dispatched officials to Wuchwan to find out at first hand the conditions of the Mongol troops who desire to be placed under the control of the newly organized Suiyuan Mongolian Local Autonomy Council.

All communications between Peiping and Peilingmiao and Peiping and Pangkiang have been cut off. The reason is as yet unknown.

Commenting on the telegram issued by the staff members and peace preservation corps of the Inner Mongolian Local Autonomous Political Council in Pailingmiao on Feb. 21, the *Shun Pao* writes: "From the words of the telegram we can see the most serious condition in Pailingmiao. Since the North Chahar affair, great attention has been paid to the activities of Prince Teh, Secretary-General of the Inner Mongolian Political Council in Pailingmiao. He is travelling from Pailingmiao to Pangkiang all the time, causing serious suspicion of the public. The assassination of Prince Ne in Chanpei and the reported disappearance of Wu Hao-lin, member of the Mongolian and Tibtetan Affairs Commission, all point to the most unfavorable condition in Mongolia.

"Although we are not ready to judge the action of the staff members and peace preservation corps in leaving Pailingmiao, we are most concerned with the provisions to be made to take care of these people, because there are numerous people who are anxious to support one faction to work against another. The action of the young leaders of Mongolia, who do not want to stay in Pailingmiao because of the unfavorable conditions there shows that they are patriotic to their country, which is certainly due to the high education which they received in Nanking and Peiping. We hope that the Mongolian leaders and all Mongols do their best to strive for the unification of the country, which will promote the welfare of their people."

Ta-Mi-Ling-Su-Lung, Superintendent of the All-Yellow Banner, has been appointed by the Suiyuan Provincial Government as Bandit-suppression Commander of the Four Banners, in eastern Suiyuan. The joint office of the Four Banners at the Suiyuan provincial capital was inaugurated Feb. 29.

PRINCE TEH REPORTED PLANNING INDEPENDENCE ACTION

Prince Teh, Chief Secretary of the Pailingmiao Council, will shortly declare his independence from Nanking according to a *Reuter* report from Peiping Feb. 27. The reason for this projected step is not definitely known but it is understood that Prince Teh has been deeply offended by a mutiny on the part of some of his troops south of Pailingmiao, and also in the defection of sectional chiefs of the Peilingmiao Council, who recently issued a telegram complaining that he was neglecting his duties.

HU HAN-MIN CONFERS WITH SOUTHERN MILITARY LEADERS

Hu Han-min, Chairman of the Standing Committee of the Central Executive Committee, received Gen. Chen Chi-tang and Gen. Li Tsung-jen, Commanders-in-Chief respectively of the Kwangtung and Kwangsi forces on Feb. 28 and had a conference with them, according to *Central News*.

Wei Tao-min, former Minister of Justice, left Shanghai for Hongkong aboard the P. & O. s.s. *Rawalpindi* March 3 on a mission of welcoming back Dr. Wang Chung-hui, retired judge of the Permanent Court of International Justice at the Hague, who is scheduled to arrive in Hongkong en route to Shanghai, on March 10. While in Hongkong, Mr. Wei will again call on Hu Han-min and convey to the latter the urgent desire of Generalissimo Chiang Kai-shek, President of the Executive Yuan, for his early return to Nanking.

General Chen Chi-tang announced March 2 that a six-month period has meen tentatively fixed by the Kwangtung Provincial authorities for the readjustment of civil administration, following the expiration of the period for the enforcement of the Three-Year Plan in the province. After the readjustment, the second Three-Year Plan will be enforced. General Chen also stated that reorganization of the Kwangtung police units will be effected as from April 1. The number of police reserves will be raised from 808,000 to 1,060,000, an increase of 252,000 officers and men.

Ending a brief trip to the South, Dr. C. T. Wang formerly Minister of Foreign Affairs, arrived in Shanghai from Fukien by a China National Aviation Corporation plane March 1. While Dr. Wang traveled mainly in the interest of the work of the Rotary International, he took the opportunity while in Canton of interviewing Hu Han-min, Chairman of the Standing Committee of the Kuomintang Central Executive Committee. During the interview, Dr. Wang is believed to have voiced the urgent desire of the Central authorities for Mr. Hu's return to Nanking to assume his government responsibilities. Dr. Wang will shortly proceed to Nanking to submit a report to the National Government with regard to his conversations with the veteran Kuomintang lealer in Canton.

The National Government has announced a set of regulations regarding military conscription, which will be enforced throughout the country, reported *Shanghai Evening Post March* 3. According to the regulations all able-bodied men will be required to undergo military training to be ready for service when called upon by the Government. There will be two standing armies, one for regular soldiers and one for civilians with military training. All men between the ages of 18 and 45 will undergo 2 years of military training. Special area in the country will be designated by the Government as places for military maneuvers, and enlisted men will be called to the barracks at any time.

Appropriate respect must be shown to the National and Party Flags and the portrait of the Head of the State (President Lin Sen) in all theaters and amusement houses, says General Chiang Kai-shek, President of the Executive Yuan, in a dispatch to Ma Chao-chun, Mayor of Nanking.

Dr. Wellington Koo, new Chinese Ambassalor to France, arrived at Nanking from Shanghai March 3. He called on General Chang Chun, Minister of Foreign Affairs, in the afternoon. Dr. Koo will also call on General Chiang Kai-shek, President of the Executive Yuan, in a day or two, following which he will return to Shanghai to sail for Marseilles on March 21 aboard the French liner *President Doumer*.

Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, is expected to arrive in Shanghai from Moscow around March 15, according to a *Central News* report. After his arrival here, Dr. Yen will proceed to Nanking to interview General Chang Chun, Minister of Foreign Affairs, following which he will proceed to Tientsin and Peiping to inspect his business concerns in North China.

The Waichiaopu announced on Feb. 29 the appointment of Wu Ai-chen, formerly Foreign Affairs Commissioner for Sinkiang, to the post of Consul-General at Blagovestchensk in Soviet Russia to succeed Cheng Yen-hsi, who has been recalled for home service.

Model infantry officers should strictly observe military discipline and serve as examples for their subordinates, General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, told advanced students of the Infantry School in Nanking in an address Feb. 26. Other qualities required of competent infantry officers, according to General Chiang, include ability to foster self-confidenct among the soldiers, strong mind and body and complete mastery of infantry tactics.

Outer Mongolia Charges Manchukuo Violated Border

Ulan Bator (*Tass*) reported Feb. 29 that the Foreign Minister of Manchukuo, Chang Yen-chin sent the Mongolian Prime Minister and Foreign Minister, M. Gendun, a note on Feb. 25, accusing the Mongolian troops of alleged unceasing attacks on Manchurian territory south of Lake Buyer Nor, including abduction of peaceful citizens and cattle from there. At the same time the Manchurian Government declared a protest in connection with the incident of Feb. 12, regarding which, as already reported, the Government of the Mongolian Peoples Republic declared its protest to the Government of Manchukuo, as far back as Feb. 13.

In order to justify its protest, the Government of Manchukuo described the incident of February 12, "as the result of the unlawful occupation, by the Mongolian authorities, of Ulan Khuduk which, for this purpose, is declared as belonging to Manchukuo." The Government of Manchukuo therefore demanded the immediate withdrawal of the Mongolian troops from the region, allegedly unlawfully "seized" and the cessation of similar actions in the future, declaring that otherwise it reserved for itself the freedom of action.

At the same time the Government of Manchukuo advanced the necessity of establishing diplomatic relations and taking measures for peaceful solution of frontier disputes. Declining as "unpractical" the proposal made earlier by the Mongolian side about the creation of frontier commissions, the Government of Manchukuo declared that if the Mongolian side submitted "more effective and suitable projects" it would be ready to discuss such proposal "with sincerity, without "prejudice and in a spirit of conciliation." In reply in the above mentioned note, the Mongolian Foreign Minister Gendun sent a note Feb. 29, the first paragraph of which read: "I consider it necessary to remind that all the circumstances of the clash that took place on Feb. 12, in the region of Bulundersun, territory of the Mongolian Peoples Republic, were described exactly with all details in my note of protest on Feb. 13, which remained without reply. This is deeply regrettable that instead of satisfying our lawful demands expounded in the note, you declare us absolutely unjustified in the protest and demand our evacuation from Manchurian territory allegedly occupied by our troops. The Government of the Mongolian Republic again declares that its troops have never violated the frontiers of Manchukuo nor invaded the territory of the latter or abducted peaceful citizens and cattle and that all the incidents took place on the territory of the Mongolian Republic, as the result of violation of the frontier by your troops and the attacks on our frontier guards."

S.M.R. Railway Service to Link Peiping and Hsinking

Plans for the extension of the present Peiping-Mukden through railway traffic to Hsinking, and possibly Harbin, are being studied by officials or the South Manchuria Railway Company, the *Kokutsu News Agency* reported Mar. 3. The sum of Yen 2,000,000, required for the expansion of the present facilities at the Mukden station, will be included in the next year's budget of the S.M.R.

HE WILL FIGHT THE JAPANESE

M. Demid, Minister of Defense and Commander in Chief of the Outer-Mongolian Army, who has already fought several battles with Japanese troops which invaded Mongolian territory in the vicinity of Lake Buyer-nor and who has announced his intention of opposing Japanese aggression on that front.—The picture was reproduced from *China Today*, published in New York.

Stalin Says Soviets Are Ready for War With Japan

Roy W. Howard, head of the *United Press*, in an interview with Josef Stalin, secretary general of the Communist Party in the U.S.S.R. in Moscow Mar. 4, elicited from the Russian dictator several definite declarations, not the least important of which was that the Soviets are prepared for war with Japan, if necessary, in order to prevent the destruction of the independence and internal integrity of its political ally, the Mongolian People's Republic. Although Stalin expressed the opinion that German territorial designs constituted a grave war threat to the Soviet Union, he declared that the Far Eastern situation was probably the most dangerous.

Mr. Howard inquired:—"Would a Japanese attempt to seize Ulan Bator Hoto make positive action by the Soviet necessary?" and Stalin replied unequivocally, "Yes."

To the question, "Have recent events developed any new Japanese activities in this region which have been construed by the Soviets as of an aggressive nature?" Stalin answered, "The Japanese seem to be continuing to concentrate their troops on the frontier of the Mongolian People's Republic, but, so far, there have been no new attempts to create border incidents."

M. Stalin incidentally stated that "history shows that, when a state is intent on war against another state, even one not adjacent, the aggressor seeks an intermediate state whose frontiers touch those of the object of aggression. It usually succeeds in finding such a frontier . . . . I do not know what specific frontiers would be best adapted to the German purposes, but I think they would find a people prepared to lend them a frontier."

Mr. Howard asked point-blank when M. Stalin expected the next war, saying, "Seemingly the entire world to-day is predicting another great war. If it proves inevitable, when do you think it will come?"

"It is impossible to say. It may be very unexpectedly," answered Stalin. "Nowadays wars are not declared; they simply start."

Huge War Preparations by the Soviets

An eye-witness account of the terrific war preparations being made along the Soviet-Manchukuo frontier was given in Berlin, Mar. 2 by Arthur Bate, an American journalist formerly on the *China Press* on his arrival in the German capital on that date from Shanghai. He declared that the atmosphere along the frontier was similar to that in Europe in 1914. While in Manchukuo, he added, he saw between 50 and 60 armored railway cars with gunturrets, and many trains carrying Japanese officers. "Between the frontier and Moscow," Mr. Bate stated "we passed an average of 35 trains and 75 coaches daily each carrying military supplies to the East."

Troops Ordered to Manchukuo on Scale Unequalled Since Russo-Japanese War

Units of the 12th Division, which will replace troops of the Third Division stationed in Manchukuo, departed for the New Empire from Tokyo, Mar. 4.

The orders mobilizing units of the 12th Division and the First and Third Regiments of the First Division, which took part in last week's mutiny in Tokyo, were issued on Feb. 20. The troops to be replaced are units of the 16th and Third Divisions in Manchukuo and First Division in North China. The latter will be replaced by detachments from the Fifth Division.

The mobilization orders were issued on a scale unequalled since the Russo-Japanese War of 1904-05.

Kwantung Army Officer Foresees Difficulties in Mapping Manchukuo-Soviet Frontiers

Serious difficulties will beset any commission appointed to demarcate the frontier between Manchukuo and the Soviet Union, Col. Torashiro Kawabe, chief of the Second Section of the Kwantung Army, stated at Shimonoseki, Feb. 27. Among the major stumbling blocks in such a task, the absence of markers will be most keenly felt, he predicted. Even in places like along the banks of the Amur River, which forms a natural boundary, the frontier is still ambiguous because the ownership of islands in the river has not been determined, he added.

Hu Han-min on Pan-Asianism and the "Three Principles"

BY C. Y. W. MENG (孟 昭 泳)

HU HAN-MIN, a veteran member of the Kuomintang, and once the President of the Legislative Yuan (when the Nationalist Government was first established in Nanking), and once living in retirement in the Colony of Hongkong, has now returned to China after his tour to Europe. But instead of boarding a steamer to sail for Shanghai and thence to Nanking to assume his post as the Chairman of the Standing Committee of the Kuomintang, the highest organ in the country, and to shoulder the responsibilities in the government, this veteran statesman went to Canton. On his arrival, in his first interview with newspapermen he told the nation that his policy "remains the same as before."

This Chinese statesman is always glad to grant interviews to newspapermen, Chinese and foreign alike, particularly the Japanese, when he goes on in lengthy discussion of the situation, incidentally enunciating what would be his policy towards the present Sino-Japanese situation, in the event that he should come to power. In his interview with General Suzuki sometime ago, Mr. Hu discussed much about the Sino-Japanese situation with the Japanese military official, but made many straightforward but bitter attacks on the Japanese military actions in China, thus causing Suzuki's "mission" to the South to be a flat failure. In his interview with General Iwane Matsui in Canton on Feb. 21, the Chinese statesman discussed much about the Pan-Asiatic Doctrine, and pointed out the differences between the Chinese and Japanese Pan-Asiatic Doctrine.

China's Pan-Asiatic Doctrine

Mr. Hu recalled what General Matsui told him in 1926 in Nanking when he said that "in order to preserve peace in the Far East and to seek for co-existence and co-prosperity of the Chinese and Japanese, we must carry out the Pan-Asiatic Doctrine in accordance with the teachings of Dr. Sun Yat-sen. Should China and Japan fail to co-operate with each other, and should China be forced to co-operate with Russia or other countries, it is really the fault of Japan, particularly myself!" So Mr. Hu said, that those who talk much about the Pan-Asiatic Doctrine today should take note of General Matsui's statement which he made 10 years ago. The Chinese statesman also said that when the late Premier Inukai organized his cabinet in 1932, Mr. Hu wrote him a lengthy letter dealing with the Far Eastern situation. The Japanese premier, in his reply to Mr. Hu, attributed the cause of Sino-Japanese crisis to the "failure on the part of the Japanese to understand the Pan-Asiatic Doctrine of Dr. Sun Yat-sen," and made a promise that he would "do what he could to relieve the Sino-Japanese crisis, adding that being associated with Dr. Sun longer than with his own political party, he deplored the present Sino-Japanese crisis, and concluded that he could not but "hold myself to blame." So Mr. Hu said that the late premier was one who really understood Dr. Sun's Pan-Asiatic Doctrine, and is a true promoter of the Chinese revolution. "Therefore," said Mr. Hu, "the assassination of Mr. Inukai is not only a great loss to Japan but to the Far East as well!"

Chinese and Japanese Doctrines—the Differences

Mr. Hu then went on in his lengthy discussion on the differences between the Chinese and Japanese Pan-Asiatic Doctrine, pointing out that the Chinese doctrine is the doctrine of 'Wang Do' of the Orient, but not the doctrine of militarism of the West. It is the doctrine of saving and assisting the weak, but not the doctrine of 'robbery' from others. It is the doctrine of The Three Peoples' Principles but not the doctrine of hegemony of the imperialists. So there is material difference between the Chinese and Japanese Pan-Asiatic doctrine, said emphatically Mr. Hu.

Mr. Hu also recalled another instance when the late Chinese leader of the revolution discussed with the Japanese officials and scholars including the then premier in Tokyo in 1913, when the former told the latter that "genuine equality and friendliness are the basic principles of the Pan-Asiatic doctrine," adding that before the Russo-Japanese war, China's sympathy was with Japan; but after the war, China's sympathy was with Russia, the reason being that after the victory, Japan annexed Korea from China. "But what good did the annexation do to Japan except to destroy Sino-Japanese friendliness? So the annexation of Korea from China is something that the Japanese intelligentsia would not do," said Dr. Sun. The then Japanese premier was quite convinced, and promised that "so long he is in power, he would do what he could to improve the situation." Mr. Hu said, pointing to General Matsui, that "General Matsui must remember the historic discussion of the Pan-Asiatic Doctrine between the Chinese leader and the Japanese premier and other officials, including General Matsui himself."

In another instance, said Mr. Hu, when Dr. Sun, after his speech, was questioned by a Japanese scholar on the fact that although both Japan and European and American nations had occupied Chinese territories and had humiliated China, why was it that China 'hates Japan the most? To this question, Dr. Sun answered that both China and Japan are nations of the same race and language, and they are brothers, China being the elder brother, while Japan was the younger brother. In many ways, they should co-operate. The relation between China and other countries are those of ordinary friends. "It is indeed unbearable when our territories are occupied and when we are humiliated by a friend. But it is more than unbearable when the younger brother, instead of co-operating with the elder brother, has occupied this territories and has humiliated him." So Mr. Hu said that Dr. Sun's Pan-Asiatic Doctrine is entirely based on the principle of equailty and mutual assistance for the development of one another. But the same speaker deplored the fact that "no such statesmen like Premier Inukai could be found in Japan today!"

"I have been observing the Sino-Japanese situation, and I could not but conclude that what the Japanese are doing in China today are mistaken moves," said Mr. Hu. "Every Japanese action is hidden under the cover of preventing the spread of Russian communism," continued Mr. Hu. "But Japan must know that the Chinese hate more the Japanese than the Russians today, and that the Chinese prefer to be conquered by the Red-Bandits, rather than by the Japanese. Such sense of nationalism is deeply incluated into the mind of the Chinese. The more oppressive the measures taken by the government, are the stronger will be the reactions. So the day is not far off when we will witness the most sanguinary warfare between the two people. So I can say decidedly that the so-called 'three basic principles' (proposed by Mr. Hirota, Japanese Minister of Foreign Affairs) are entirely meaningless and unreasonable. Those who really understand the Sino-Japanese situation will surely turn a deaf-ear and 'run away from it!' But apparently, in the recent years, the Japanese militarists are more bellicose rather than far-sighted and act only for the pleasure of the present, but never look for the future. When such state of affairs is allowed to go on, we will see that the situation in the Far East will be more endangered. Then what is hoped from the Pan-Asiatic Doctrine could never be realized," said Mr. Hu.

Mr. Hu said openly that he is a strong advocate of the Pan-Asiatic Doctrine, and at the same time, he is a strong advocate of the 'positive resistance' to oppose the Japanese aggression in China. "Wherever I went during my recent tour in Europe, the people always regarded me the leader of the positive resistance to oppose the Japanese aggression, and I never refuse to be such. My advocacy of resistance is just for the very purpose of carrying out the Pan-Asiatic Doctrine of Dr. Sun. Should the Japanese fail to change their attitude towards China they will soon witness the development of intensive anti-Japanese feeling among the Chinese, which could never be suppressed, no matter what high-handed action the government might adopt, and the nation-wide rise of the Chinese in resistance to oppose the Japanese aggression. Dr. Sun was the author of the Pan-Asiatic Doctrine, and he was a strong opposer of the Japanese 21-Demands on China; and I, in my endeavor to carry out the Pan-Asiatic Doctrine of Dr. Sun, am a strong opponent of the Japanese aggression in China. Being a close friend of Dr. Sun, I hope that General Matsui will take steps to rectify the blunders committed by the Japanese in the past, and to awaken the Japanese masses and to lead them into the proper paths," it was pointed out by Mr. Hu to General Matsui.

Canton's Opposition to Hirota's Three Basic Principles

In another interview questioned about his movements in the near future, Mr. Hu stated *inter alia* that whether he would go to Nanking all depended upon whether his "policy of national salvation" could be carried out or not.

Referring to the "Three Basic Principles," as proposed by the Japanese Foreign Office, Mr. Hu said that according to the Japanese information these principles are: Recognition of Manchukuo by China; dispatch of Japanese troops to China to assist China to suppress the communists; and Formation of a 'Sino-Japanese-Manchukuo Alliance' and non-cooperation with the powers other than Japan. "Should such principles be put into application, not only would the four north-eastern provinces be ceded, but the whole of China would at once be reduced to the status of a protectorate of Japan like that of Korea! Our comrades should pay attention to this! So what I am doing today is to wake up the Nanking leaders, and to study how to save the nation by uniting in our resistance. Pending the settlement of the 'problem,' what is the use for me to go to Shanghai or to Nanking? If this 'problem' is decided, it is immaterial whether I am in Nanking or in the South," declared Mr. Hu.

Continuing, said Mr. Hu when he was in Europe and when he was questioned as "how to save the Chinese Nation," he

answered that although the salvation of China depends upon our resistance, "we are nevertheless in need of the assistance of the American and European nations, which should exercise more dignified restraint on the Japanese aggression, and which should give more moral assistance to help China." Mr. Hu concluded by pointing out that from his observation, the sympathies of the American and European nations are with China.

Circular Telegram Issued

The Political Council of the South-West, in a circular to the nation, dated February 25, demanded the Nanking Government to "refute the Japanese Three Basic Principles" by pointing out that the people of the whole nation hope earnestly that the Government should "refuse to accept the Japanese demand," should "refute the Japanese 3-Basic Principles by giving our reasons, in order to vindicate justice." The circular concluded by demanding the abolition of "secret diplomacy" and employment of "open diplomacy" so as to let "all people know something about the affair!"

Chow Lu Also Speaks Out

Chow Lu, another veteran member of the Kuomintang and another leader in the South-West, and now president of Chung Sen University in Canton, in his speech on "Sino-Japanese Problems" delivered on February 17, in Canton, after quoting what one Japanese said about nine years ago to the effect "Japan wants to occupy not only Manchuria but the whole of China," added that after the loss of the Provinces of Liaoning, Heilungkiang and Kirin, comes the loss of Jehol; and after the loss of Jehol comes the "autonomous movement of Five Provinces," the "autonomous movement of Hopei-Chahar"; the autonomous "movement of Mongolia." "But now", said the speaker, "we hear that the autonomous movement in the Province of Fukien will come up very soon! That is, not only are the North-Eastern Provinces no longer Chinese provinces, but the territory along the Yellow River is also in danger. So with the territory along the 'Pearl River.' That is, what the Japanese openly predicted nine years ago is now translated into fact."

The same speaker reiterated that the Japanese speak different words to different Chinese leaders: To the Nanking authorities, the Japanese say, "We (Japanese) will help you to effect the national unification and to cause the South-West to help you in your endeavor." To the South-West authorities, the Japanese say, "If you want to overthrow General Chiang, we (Japanese) will help you," pointing out that the creation of a situation in the North is an "evidence" of their help! To the North China authorities, the Japanese say, "If you want to overthrow General Chiang, we (Japanese) will help you, and we will cause the South-West authorities to help you too. But if you do not overthrow General Chiang, we will force the Nanking authorities to do what they did with General Yu Hsueh-chang and General Sung Chi-yuan before—that is to dismiss you from the offices." To the outside world, the Japanese openly announce that not only does Nanking want to be friendly with Japan, but with the South-west and the whole Chinese nation as well, "so it is not necessary for any foreign power to bother about Sino-Japanese friendliness." That is, the Japanese tactics to deal with the Chinese are as follows: To deceive the Chinese; to threaten the Chinese, and to play-off the Chinese against one another, according to Mr. Chow.

The same speaker explained why the Japanese consider the year of 1936 as the "most critical year to Japan," viz.: The Russian second Five-Year Industrial Plan will be completed in 1937, and the American naval reconstruction plan will also be completed in 1939. "So the Japanese feel that they must conquer China before the 1936, so that the Japanese could face Russia first, and America next." The speaker deplored the fact that "with exception of Kwangtung and Shantung, whose authorities adopted a more strong-hand actions towards Japan, the rest still resort to the "policy of non-resistance." He then dealt with the student movement, saying that the movement which is purely a patriotic movement, has now unfortunately become a political movement with political backgrounds. The speaker concluded his remarks by saying that the real salvation of China today lies in her "resistance against Japanese aggression."

From the above it will be clear that there is not only a marked difference between the Chinese and Japanese Pan-Asiatic Doctrine, but also the Pan-Asiatic Doctrine, advocated by the Japanese statesman or elders, such as Premier Inukai, and that advocated by the Japanese militarists. While the former were sincere in their interpretation of the doctrine to further the principle of brotherhood and friendliness, and co-existence and co-prosperity of the two nations, the latter merely employ and interpret the Doctrine to suit their purpose of furthering their militarism and aggression in China and of declaring their hegemony on the Asiatic Mainland. That is to say, there is wide difference between the policy and action taken by the Japanese elder statesmen of the past and that taken by the Japanese militarists of today. Secondly, not only is the death of many Japanese statesmen one of the greatest obstacles to the improvement and readjustment of Sino-Japanese relations, but there is another obstacle. That is, some of the leaders in power in Japan today were those who took part in discussion of the Pan-Asiatic Doctrine before, and were among those who pledged themselves to carry out Dr. Sun's Pan-Asiatic Doctrine. But now, we find these officials have all changed their words, and have acted contrarily to what they declared before, either because under present pressure they have to follow the tide—the rise of militarism in Japan—or they want to utilize the chance for personal advancement, at the expense of the sacrifice of their faith. The marked difference in General Matsui's declarations, one made in 1926 and the other in 1936, is a good example of this kind. As we noted above, Gen. Matsui personally took part before in the discussion of the Pan-Asiatic Doctrine when Dr. Sun discussed the Pan-Asiatic Doctrine with many Japanese officials, and General Matsui expressed his hearty agreement with the Chinese doctrine. But today, General Matsui is the promoter and organizer of a "new" Pan-Asiatic Doctrine, and "Pan-Asiatic Association," which is materially different from the Chinese doctrine, and which is for the purpose of furthering Japanese aggression in China. With the passing of the many of Japanese elder statesmen, China hopes that the Japanese people of General Matsui's rank and age, who once received some teachings from Dr. Sun's Pan-Asiatic Doctrine, would be the next champion of the Chinese doctrine, so that a way may be paved for the amicable settlement of Sino-Japanese problems and successful readjustment of Sino-Japanese relations. But, unfortunately, it does not turn out that way. These officials are now willing to discard their faith and to join with their fellow-countrymen in the aggression. Lastly, the 3-hour Hu-Matsui conference, as well as the many speeches which the leaders in the South-West had delivered, tell us quite clearly the policy of the Opposition in China today towards the Japanese aggression.

Nanking, February 29, 1936.

China's Trade Shows Favorable Balance—U.S. Maintains Lead

The monthly returns of the Chinese Maritime Customs for January show that China's foreign trade started in 1936 with a favorable balance of $9,718,962.

The total volume of trade during January was $131,619,554, a decrease as compared to that of the corresponding period of 1935, which was $141,261,048. During the latter period, an import excess of $34,763,432 was recorded.

Imports during the first month of the year showed a sharp decline. The total value of imports was $60,950,296, as compared to $90,012,240 in January, 1935. Exports from China, amounting to $70,669,258, represented an increase of $15,420,450 over the figure for the corresponding period of 1935.

The United States, as usual, was the principal seller and buyer during the month. U.S. sales to China amounted to $12,361,000 and purchases to $23,664,000, leaving a balance of $11,303,000 favorable to China. China's balance with U.S. has been steadily favorable for the past six months.

Japan occupied the second place as seller, with $10,210,000 worth of merchandise during the month. Japan bought to the value of $9,918,000 during the month, being third on the buying list.

Germany was third as seller to China, her exports to this country during January amounting to $8,713,000. Great Britain, not including her colonies, was fourth with a total of $7,443,000 worth of shipments to China.

The second biggest buyer from China was Hongkong, which, as compared to the import of $62,000, bought from the country $10,188,000 worth of goods during the month. The fourth biggest buyer was Great Britain and the value of goods she bought was $4,530,000.

French Adviser Lauds China's Reconstruction Achievements in Statement Issued in Paris

Prof. Jean Escarra, technical advisor to the Nanking Government, member of the Institut des Hautes Etudes Chinoises, following a lecture delivered at the Sorbonne on the problem of China's recovery, issued a statement in Paris Feb. 29, in which he pointed out that China's essential problem consists of revising her traditional values which make of this vast country a static element among dynamic nations. China had to yield to the pressure of these nations with "unequal treaties. "However," he went on, "the task of interior reconstruction in China already involves a large number of domains, more especially the economic field. In the course of my sojourn in China, I was in a position to observe important changes. There are now model Chinese municipalities, cities such as Hangchow, Canton, Peiping and Greater Shanghai, where not a single scrap of paper can be seen in the streets. Modern medical help is now available in the Chinese countryside, as well as teams of young officials devoted to the cause of public welfare. A large number of model farms can be observed in the interior." Reference was also made to China's development of highways and aviation services.

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YES, IT DID WONDERS FOR MY BOBBY, LET ME TELL YOU ABOUT IT —
THE STORY—
WHAT ON EARTH ARE YOU DOING HOME FROM SCHOOL SO EARLY ?
TEACHER SENT ME HOME WITH THIS NOTE!
HERE IS WHAT THE NOTE SAID:
Dear Mrs Brown:
Bobby is extremely nervous and irritable. Our school nurse says his system seems undernourished and out of order. Can you help him?
Teacher
LATER—
MOTHER, I GOT THREE PERFECT MARKS THIS WEEK FOR CLASSWORK!
YES, BOBBY— QUAKER OATS CERTAINLY MADE A NEW BOY OUT OF YOU

M-23

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T.P. Givens, Head of Special Branch of Municipal Police, to Retire

Announcement was made Feb. 27 that Thomas Patrick Givens, Deputy Commissioner of the Shanghai Foreign Municipal Police, and head of the Special Branch, or politico-criminal intelligence department, would retire on March 20. The Shanghai *Evening Post* stated that Mr. Givens had recently been under fire, but no official announcement had been forthcoming of the details. Mr. Givens resumed his duties early last month after having been absent for about a month, during which time his work was carried on by Assistant Commissioner T. Robertson, who since its establishment about half a year ago has been the head of the Special Political Office, which is devoted mostly to the Sino-Japanese situation. Mr. Givens, who is a native of Ireland, has been with the Municipal Police since 1907. In recent years his activities have been mainly devoted to the communist situation. In the 1925-27 period he was active against the nationalist agitators, but in 1931 and again in 1934 he was decorated by the Nanking Government. The 1931 award was largely because of his work in the Noulens case, whic in 1934 he was honored for assisting Nanking in rounding-up Chinese communist workers. Mr. Givens will depart for his home in Ireland March 24.

Japanese Continue Persecution of Koreans in Shanghai

The Japanese police authorities notified the French Concession authorities this week that they intended to conduct raids in the Concession and arrest various Koreans who are accused by the Japanese of being either "anarchists" or "Korean irredentists and communists." This action followed a campaign in the local Japanese press against Korean agitators. In this connection the Shanghai *Evening Post* commented: "Koreans anarchists and communists may exist but they are few and far between as compared with Koreans devoted to the more personally immediate purpose of seeking freedom for their homeland."

Letter Congratulating Yin Ju-keng on His Birthday

BY T. S. YOUNG

Shanghai, Feb. 26, 1936.

Ying Ju-keng, Esq.,
Chairman, The East Hopei Autonomous Council,
Tungchow.

Dear Mr. Yin,

From the newspapers I have learned that not long ago you gave a very big party in celebrating your birthday, that hundreds of guests including your numerous subordinates and Japanese friends were present to offer you congratulations, and that this birthday celebration was said to be the most gorgeous event which Tungchow had ever seen. In learning this news, I hasten to offer my congratulations. Although my congratulations may be late in point of time, they, nevertheless, are very sincere, as they come from the one who, since your rise to political prominence last year, has always considered you as, what your Japanese friends call you, a "people's hero."

Accompanied by this letter I am sending you a small package, in which you will find a rubber monkey—a birthday gift from me. In choosing this gift, I had quite a quarrel with my wife. We went together to the Sun Company—a newly opened department store which is known to the Shanghai people because of its escalator—to make this purchase. Upon seeing numerous rubber toys, my wife insisted upon the purchase of a rubber dog, because she said that your present position was more akin to a dog than to a monkey, hence a rubber dog would be more appropriate to the occasion. Besides, my wife is frugal by nature, and she selected a rubber dog, because its cost was ten cents cheaper than that of a rubber monkey.

On all other matters I would let my wife have her own way; but in making this birthday gift purchase, I was very firm in sticking to my own idea. I told her that a dog was a faithful animal and would by no means forsake its master. Therefore it would be ridiculous to send a rubber dog as a birthday gift to a man who has not only abandoned his ancestral tomb, but also betrayed his own country. Besides I told my wife that we ought to spend a little more in purchasing a gift for a big man like you. After much argument, my wife finally gave up her original stand, and we bought a rubber monkey.

I send you this rubber monkey not without reasons. During the past few days of the Chinese New Year, while strolling along the Avenue Edward VII, I found on both sides of the thoroughfare, here and there, crowds of people watching monkey plays. Monkeys clad with red coats were made to play various tricks at the behest of their "managers." They were told to put on and take off their hats, to climb up and down poles, and to gallop on the back of sheep. After playing these various tricks, the "managers" would make collections from the bystanders, and for their (monkeys) pains, their "managers" would give them some nuts to nibble. In looking at these monkey plays, I find that you are now playing the same role as that played by these monkeys, because you have also requested to play the tricks at the dictates of your Japanese "managers." Besides, your present coup is nothing more or less than monkey plays, and for your labor, you have got nothing but some nuts to nibble.

My gift may not worth anything, but my wishes, I must assure you, are very sincere. According to an old Chinese saying, in presenting feathers to a friend thousands of miles away, although the gift itself is very small in cost, the wishes on the part of the sender are very sincere. So am I in sending this rubber monkey to you. I am a poor guy, pardon my vulgarism, and therefore I can not afford to send you a monkey made either of silver or of gold. However, I promise you if I can get a better job by this time next year, I will not fail to send you a costlier present on the occasion of your next birthday.

By the way, Mr. Yin, I am not acquainted with your age, but looking at your picture which has frequently appeared in the vernacular press, I believe that it can not be over fifty. True, an ordinary person does not often celebrate his birthday, until his age reaches seventy or eighty; but a high official usually celebrates every one of his birthday, be it thirty-five or forty-five. In the old days, a high official of the old Peking Government, besides celebrating his own birthday every year, would also send out invitations for the birthdays of his parents-in-law and even of his sisters-in-law, as a convenient means of "assessing" birthday gifts from his subordinates. Many of the officials, we have been told, amassed fortunes by this means. As life is short and official tenure is uncertain, the officials have to explore every avenue leading to political fortune while his political star is still in the ascendancy. Therefore it is quite understandable that you should give a big party in celebrating your birthday this year. It goes without saying that so long as you are the nominal ruler of the so-called East Hopei Autonomous Council, you will not let this occasion pass by without some form of celebration as a means to satisfy your vainglory as well as to fill up your purse.

I would suggest, Mr. Yin, that for your own interest you had better follow the example set up by the officials of the old days. From the newspapers, I have also learned that you have recently paid an exorbitant price of $100,000 for a noted Peiping sing-song girl as your concubine No. 1. Now besides your own birthday, you can also celebrate the birthdays of your Japanese wife and Chinese concubine every year. I am sure that your subordinates will vie with each other in currying favor of your wive and concubine by showering upon them birthday gifts. If your wife and concubine can both bring forth children for you, you can also celebrate their birthdays. By that rate, you can have a birthday celebration every month in your family, and naturally you can make a big fortune thereby.

It has been said that it requires finesse and tact to get round between two wives, and that one who can live with two wives under the same roof without any mishap is qualified to be a diplomatist. This possibly accounts for the reason why you have become a favorite of Japanese militarists. To be frank, Mr. Yin, you have owed your present success to your Japanese wife, who, through the influence of her brother, an officer in the Japanese army, has been instrumental in making you a puppet of the Japanese Kwantung Army. How is it possible that upon your ascendancy to power, you should prove so unfaithful to her by taking in a Chinese concubine? Your wife must be a generous woman; otherwise, she can easily cause your downfull by withdrawing her support.

Incidentally, by having a Japanese wife and a Chinese concubine, you have shown to the world that you have not only believed in but also carried out the notion of Sino-Japanese co-operation. As reformation must start from home, so this talk of Sino-Japanese co-operation can not impress the mind of the common people, unless some high officials can practise it themselves. I firmly believe that if the majority of our high officials can have two wives—one Chinese and the other Japanese,then we shall not have the difficulty in carrying out the letter and spirit of Sino-Japanese co-operation.

Finally, I must make it clear that I write this letter of congratulations to you not by way of flattering you with the hope of securing any political position. Though I am poor and have not had the pleasure of holding any official post, I, nevertheless, have too much sense of honor to be willing to become a running dog of a puppet. Concluding, I wish you and your puppet show every success, and hope that by this time of the next year, if you will still be retained by your Japanese "managers" as the "star" of the so-called autonomous farce, I shall have the pleasure of writing you a longer letter of congratulations.

Yours very truly,
T. S. YOUNG.

British Community Selects Five Candidates for Municipal Council

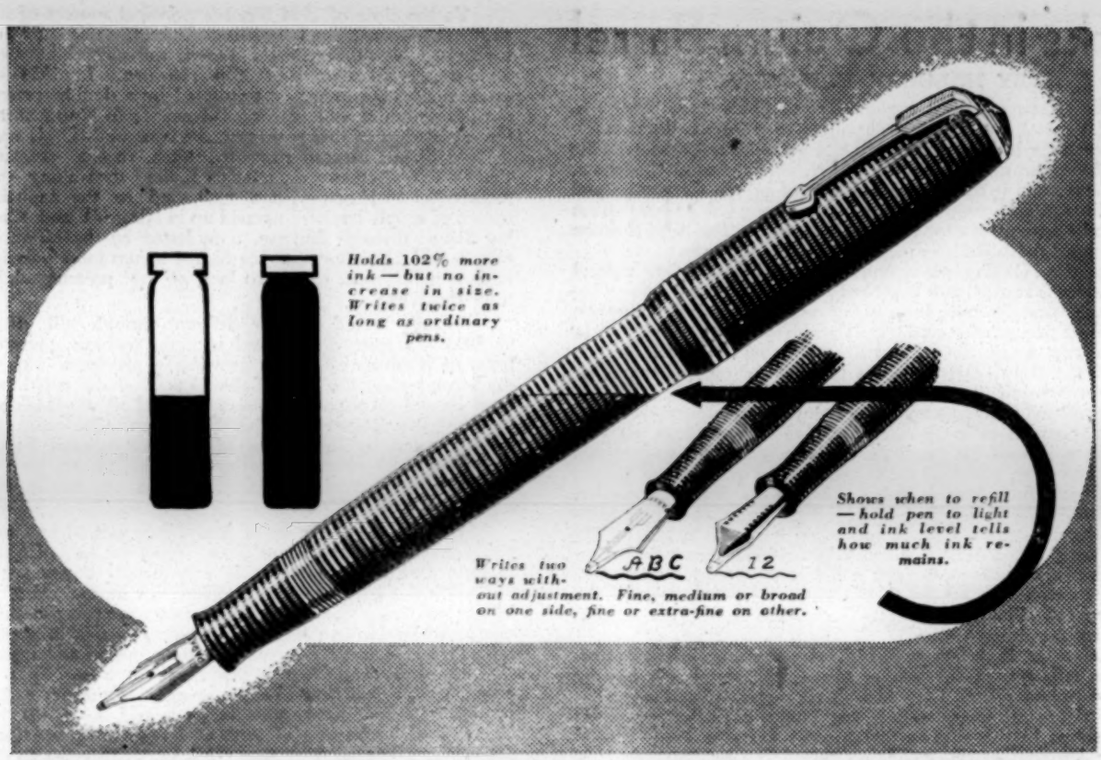
The British community of Shanghai held a straw vote this week to select the five candidates for membership in the Municipal Council which the British voters are expected to vote for at the forthcoming Municipal elections. The results were as follows, the names being arranged in the order of the number of votes received: Brig.-Gen. E. B. Macnaghten, W. J. Keswisk, H. Porter, H. E. Arnhold and G. E. Mitchell. The name of R. G. Macdonald is mentioned as alternate to take the place of any of the above who might not be willing or able to accept the post. All except Mr. Keswick and Mr. Mitchell are members of the present Council. Mr. Keswick is head of the local office of Jardine, Matheson & Co., Ltd. Mr. Mitchell is one of the ranking officials of Butterfield & Swire, the largest shipping company on the China coast.

Dr. Usang Ly Elected First President of Sino-Soviet Shanghai Organization

A meeting of a large number of Chinese and Soviet officials as well as members of the general public was held at the Chinese Y.M.C.A. in the French Concession March 1, when the Shanghai branch of the Sino-Soviet Cultural Association was formed. Dr. Usang Ly, President of the Chiaotung University, was elected first president of the local branch of the Society. The Society was formed for the purpose of promoting cultural relations between China and Soviet Russia. M. Bogomoloff, Soviet Ambassador, was unable to attend the inaugural meeting of the Society, but was represented by a member of the local Soviet Consulate, who addressed the gathering on behalf of the Ambassador.

Nipponese Residents Ask Increase of Japanese Troops in Shanghai

In view of the increase of Japanese troops in North China to a total of 5,000 men, or one-fourth of the total Japanese residents in North China, Japanese residents in Shanghai, in a petition to the Japanese War Office, have (according to the *Sin Wen Pao*,) requested an increase in the Japanese troops in Shanghai from 3,000 to 5,000 or 6,000, in the same proportion as that observed in North China. It is reported that the Japanese War Office will approve the request in the near future.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U. S. Consulate General to Move to New Quarters End of This Month

Announcement was made end of last week that pending the erection and completion of the new American Government building in Whangpoo Road, arrangements have been completed to remove the American Consulate General in Shanghai from the present quarters in the Kalee Building to the new office building at the southwest corner of Kiangsi and Foochow Roads. The transfer will be effected at the end this month.

Consul General Gauss and Judge Milton J. Helmick will lease quarters elsewhere.

The moving of the Consulate from the Kalee comes shortly after the publication of a scathing article in the *Saturday Evening Post* by T. P. McEvoy in which it was stated that the Consulate was housed in a building which had been condemned.

Complicated Cases Are Heard at Canton by U. S. Court for China

A complicated case which had been outstanding for 15 years (Banque d'Indochine vs. Henrietta Mead Paget and children for mortgage foreclosure), was heard by the United States Court for China while sitting in Canton on its last visit. The case involves about $126,000. Judgment was reserved by the court.

While in Canton the Court also received a report of Commissioner Neil A. Gorman in the case of the National City Bank of New York vs. N. Hashim for foreclosure of mortgage on Canton real estate. The transfer of the property to the N.C.B. has proved difficult, and has not yet been effected, because the property has never been properly registered in the Canton land office.

James A. Thomas Elected Trustee of Duke University

James A. Thomas, for many years managing director of the British-American Tobacco Company at Shanghai, has been elected a member of the Board of Trustees of Duke University, Durham, North Carolina, the election taking place at the midwinter meeting of the Board on Jan. 29. Mr. Thomas organized the British-American Tobacco Company, at the time an American-owned enterprise, in both China and India. Since his retirement several years ago he has been residing at White Plains, N. Y., devoting himself to writing, being the author of two books dealing with his activities in the development of modern business methods in the Orient. Duke University was founded several years ago as a result of a bequest by the late James B. Duke, organizer of the American tobacco trust and later the British-American Tobacco Company.

Leaks in the Opium Barrel

BY HALDORE E. HANSON

IF all the opium suppressing provinces of China were likened to a great barrel, and we were permitted to poke our heads inside to search for leaks, three gaping holes would be obvious. The first is along the upper Yangtze Valley, in Szechuan, Kueichow, and Yunann; this is the principal source of opium for central and south China. The second is along the Lung-hai Railway from Shensi and Kansu; this supplies the Northwest. The third is down the Peiping-Mukden Railway; North China is the user.

Since the Nanking government extended its *de facto* control in the upper Yangtze and the Northwest, some very interesting little opium struggles have been going on, some against militarists, some against penny racketeers. By all odds the best contrast is in the Northwest where Shansi and Shensi lie side by side, the one drawing its greatest revenue from the sale of opium, the other sincerely attempting to suppress both poppies and smokers.

Unfortunately Shensi's scholar-governor Shao Li-tze, Nanking appointee, controls only the Wei and Han River valleys, roughly the southern half of his province. In the north the communists hold absolute sway, and continue to export large quantities of opium, both eastward into Shansi and southward to Sian. Moreover, on the west of Shensi lies Kansu, rich in opium poppies; here Nanking's influence connot be said to extend beyond the hills which encircle Lanchow, although General Yu Hsueh-chung is selling district magistrate offices for the entire province. Kansu opium travels with equal ease along the Lanchow-Sian highway and the caravan routes of Ningshia. Thus Shensi and Shansi are equally exposed to the drug.

For contrast, look first at Shansi. Everywhere, in the capital, along the railways, in the market towns, the people are talking about anti-opium pills. They have been on sale for three years. Every district magistrate sells them, as do many of the village heads; licensed shops in the villages and towns advertise them widely. Everyone knows that this product is produced by the provincial opium monopoly; they are suspicious of the content, but that is the extent of their knowledge. The missionaries sometimes call it the "big head, little tail medicine", meaning 90% opium and 10% preventative.

Among all the maze of rumors about these pills the writer heard two stories testified to by reputable foreign officials in Taiyuan. One man of scientific training visited the market fair outside the city, and noticed one booth selling little packages wrapped in red paper. Upon inquiring their contents he was told they were anti-opium pills. The foreigner bought one and examined it in his home, proving to his own satisfaction that it contained one ounce of pure opium.

Another testimony partially confirmed the belief that district magistrates are compelled to sell a certain amount of opium in order to hold their positions. An official in Taiyuan had occasion to visit the sorting rooms of the central post office, and noticed a great pile of small wooden boxes, all of uniform size, and addressed to a certain district magistrate. The postal inspector told him quite frankly that this was opium, forty cases in all, each containing 250 ounces. That would roughly total 600 pounds for one hsien.

The experience of Yen Hsi-shan, once model governor, which led him to encourage the use of opium, is a curious one. For a decade prior to 1925 he was sincere in his drive against opium. As early as 1928 all poppies were exterminated in the province, and sellers of opium were severely punished. Gradually the effectiveness of opium suppression drew foreign heroin smugglers, an evil considered far worse than old fashioned Chinese opium. Although heroin peddlars were executed and their heads hung over the city gate (they still are in 1936), the concentrated drugs continued to flow into Shansi. After 1925 Governor Yen tried to establish a government opium monopoly, but in the enthusiastic years of the Kuomintang revolution no man was willing to direct such an odious work.

The year 1931, after the disastrous civil war against Chiang Kai-shek, marked a profound change in the internal policies of Yen Hsi-shan. His money had crashed, his industries were bankrupt, he was in desperate need of ready cash. Anything to make money was his new policy; the ends justified the means. An anti-opium bureau was organized, whose chief purpose seemed to be distribution of opium on a grander scale, by force if necessary. In the hands of this body was placed the provincial opium monopoly. Of course there was also the distribution of innocuous anti-opium pamphlets, the showing of educational cinemas, and the posting of placards in the schools.

Today the bank account of the Shansi Opium Monopoly is notoriously rich. To begin with, growers of opium in southern Suiyuan are taxed six dollars per mow. The government compels them to sell their raw opium to Yen Hsi-shan at 60% an ounce. Provincial factories boil down this raw opium (two parts of raw making one part of prepared) and sell it for $2.50 an ounce, first quality; the cheapest grade retails for $2.00. Shops in the cities are licensed to sell this product, the license fees adding still more to the bank account.

To the close of 1934 Shansi's principal sources of opium were southern Suiyuan and northern Shensi. The first region was supervised by Governor Fu Tso-yi, the second by General Kao Kuei-tze, both officers of Yen Hsi-shan. In 1934 the opium growers of Suiyuan were bankrupted by a double provincial tax, but the product still reaches Taiyuan from North Shensi despite the occupation of that region by the communists. It travels down the old Shensi caravan route to Suiteh, thence eastward to the Yellow River, crosses on rafts to Liulin then along the Famine Relief road to Fenchow, and northward to the capital. A new source of supply has been opened up in Ningshia and Kansu, reaching Shansi through Suiyuan, unmolested by the Mongols. There can be little question that the Shansi opium monopoly is a vested interest which must remain so long as the present administration rides the horse.

Shensi's record is quite different though still discouraging. In 1933 Governor Shao joined with the national government program to eliminate all poppy growing in six years. At the end ol the second year (1935) 47 of the 63 hsien under provincial controf were cleared of poppy; this area included all the lands adjacent to the Lung-hai Railway and the Wei River. The work was considerably eased by the refusal of the International Famine Relief Commission to permit the growing of opium on their irrigation projects. The remaining opium growers are mostly in the hills north and west of Sian.

Any optimistic picture of Shensi (any official in Sian can give you one) fails to notice two facts. First, the half of Shensi which is controlled by communists is very largely devoted to poppies, according to Chinese reports reaching Sian during 1935. Secondly, in eastern Kansu there is a large region certering about Kuyuan, controlled by Moslem generals, and likewise rich in poppies; these farmers find it more profitable to grow opium and import wheat.

The treatment of opium smokers in Shensi is a voluntary proposition, a half hearted effort to mop up the ocean. (The proportion of opium smokers in Shensi is said to be the highest in China, some estimating as high as 50%.) The provincial clinics for smokers, scattered in nine hsien towns through the Wei and Han river valleys, cared for three thousand people during 1935.

Madame Chiang Kai-shek, during her visit to Sian in 1935, showed considerable concern for the women who are using opium. Before she left a special clinic for women smokers was organized, operated in conjunction with the British Baptist Mission Hospital, and supervised by a trained nurse whose salary is paid by Madame Chiang. The clinic contains thirty beds, which were filled for three months previous to Chinese New Year.

One sensible scheme of the government is to encourage the substituting of cotton for opium poppies. The cotton experiment station of the National Economic Council, together with the provincial agricultural college at Wukung, is experimenting with various cotton seeds, encouraging the increase of acreage, and preparing for cotton marketing cooperatives. A special government bureau is also examining each bale of cotton for adulteration and degree of moisture; certificates of guarantee are issued for all bales leaving the province, thus commanding a much higher price for the product when it reaches the coast.

But with all the effort toward suppression of poppies and care of smokers, someone in Shensi is still derriving substantial revenue from the taxing of drugs. The old rascal Yang Hou-chien, military governor of Shensi but now greatly outshadowed by Chang Hsueh-liang, has for years had his finger in the pie. One of his properties, the Northwestern Hotel of Sian, is a beehive of opium smokers and agents; behind this hotel is a trucking company operating fifteen trucks a week,—one can surmise their contents. Farmers who are still growing opium are taxed $10.00 a mow; then there are surtaxes for transportation, refining, selling, and smoking. First quality opium sells in Sian for $1.00 an ounce, third quality but 40 cents. Heroin is also easily obtainable, arriving in Sian from Honan by way of the Lung-hai Railway.

All in all, the prospects of stopping the northwest leaks in the opium barrel are very slim.

Sian, Shensi, February 21, 1936.

Manchuria Oil Company to Increase Capital

The *Tokyo Asahi* Feb. 25 stated that, in order to cope with the increasing demand for oil in Manchuria and also from the standpoint of national interests, the Manchuria Oil Company, at present capitalized at Yen 5,000,000 has decided to increase its capitalization to Yen 150,000,000 and double its oil production.

The company, it was stated, now hopes to fill the entire demand for oil in Manchuria, which is estimated at 120,000 kilolitres a year. Not content with refining crude oil, the Manchuria Oil Company will also endeavor to develop oil-fields in Manchuria. The company has entrusted engineers of the Japan Oil Company to engage in boring in North Manchuria and other sections of Manchuria. Boring is already being done at several places. The activities of the company after the proposed capital increase will be watched, the Tokyo paper says, to which may be added the observation that it is probable that the Manchurian Oil Co., intends to expand its activities into North China.

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Shanghai to Purchase Six Planes for Chiang's Birthday

In honor of the fiftieth birthday of General Chiang Kai-shek, the Chinese National Aviation Association and other Chinese organizations in Shanghai have decided to raise funds amounting to $500,000 for the purchase of six airplanes. The *Sin Wen Pao* says it is believed by these organizations that the purpose of airplanes for the country is the best present that can be offered to General Chiang, who has devoted his life to the construction of China.

China Protests Flights of Japanese Planes in North

The Ministry of Foreign Affairs filed a protest with the Japanese Embassy in Nanking Mar. 2 against the repeated flights of Japanese planes in North China during recent months. Besides reminding the Japanese authorities to respect China's sovereignty, the note stated that appropriate measures will be taken by the Chinese Government against future recurrences.

It may be recalled that several protests have been filed by the Chinese Foreign Office with the Japanese Embassy against the illegal flying of Japanese planes, but no satisfactory answer has as yet been received.

Five Japanese Naval Aviators Lose Lives When Planes Fall Into Saeki Bay

Three airplanes from the naval aircraft-carried *Ryujo* crashed into Osaka Bay Feb. 27 during a thick fog. The occupants of the machines were picked up by passing craft. Five Japanese naval airmen were drowned as two airplanes collided over Saeki bay, Kyushu, and crashed into the sea Feb. 19. No traces of planes and bodies were discovered. One of the airmen saved his life by descending in a parachute.

British Flying Boat Visits Nanking—Trip to Japan Abandoned

One of the two British flying-boats which abandoned their projected flight to Japan at Shanghai because of the Feb. 26 mutiny, proceeded to Nanking, arriving at Hsiakwan Mar. 2 at 10.10 a.m. Three Chinese planes went out to meet the flying-boat. The visitors were greeted at the Chungshan Wharf by the British Ambassador, Sir Alexander Cadogan and by representatives of the Chinese Aviation Commission, the Foreign Office and the Nanking Municipal Government. The British planes started on their home journey March 5.

Accompanied by Captain R. P. Willock, British Air Attache, S. W. Smith, commander of the British Royal Air Force flying boats, which arrived in Shanghai Feb. 26 noon, and other fliers, paid an official call on Mayor Wu-Te-chen at the City Government at the Civic Center. The fliers later were guests of honor at a dinner reception given by Mayor Wu at his private residence.

Flights to Hanoi Suspended—C.N.A.C. Plane Returns to Shanghai

Renewed objections raised by the local authorities in Canton against the award of the contract for the Shanghai to London air mail and passenger service, to the China National Aviation Corporation, has resulted in the discontinuation of flights from here to Hanoi pending settlement of the dispute. The trouble reached a climax when the C.N.A.C.'s Hanoi-bound mail plane, which arrived in Canton from Shanghai Feb. 27 was arrested by the authorities. No explanation was given by them concerning their action at the time, but the situation was cleared up the following morning when it was announced that the plane would return to Shanghai the following day. The Canton authorities, it is stated, are demanding that the Canton-Hanoi stretch of the route be handed over to the Southwest Aviation Corporation, a purely Chinese-owned concern operated and subsidized by the Government. At the present time, said line operates a regular service between Canton and Nanning.

In the meantime negotiations are proceeding between the China National Aviation Corporation and the Canton authorities with a view to continuing its services.

Hunan to Punish Owner of Shupu Poppy Field

Reports having been received of the discovery of poppy fields in Shupu, western Hunan, the Hunan Provincial Opium Suppression Commission has requested the Special Administrative Commissioner for the area, to inflict severe punishment, under martial law, on the local officials under whose protection the poppy is being cultivated.

K. P. Chen to Proceed to U. S. for Silver Negotiations

K. P. Chen, General Manager of the Shanghai Commercial and Savings Bank, will depart for America beginning of next week to negotiate with American authorities for the sale of silver. He will be accompanied by Martin Nicholson, U. S. Treasury representative in Shanghai.

The Shanghai *Nichi Nichi* recalls that the Chinese Government applied to the American Government to sell no less than 500 million ounces of silver to the latter. However, the American authorities declined to do so, because it was not interested in China's complete divorce from a silver standard. Mr. Chen's departure will endeavor to persuade the American Government to render assistance to the Chinese authorities.

Judgment in Kleffel Case Due March 10

After having been postponed from Feb. 20, owing to the illness of Judge Tsien, the trial of Julius Kleffel, former vice president and general manager of the defunct American-Oriental Banking Corporation, was resumed at the First Special District Court in Shanghai Feb. 27, when fresh allegations were made against the accused by the prosecution. Kleffel, who is a German citizen, is charged with embezzlement, fraud and breach of confidence in connection with the disappearance of $32,000 in cash deposited with the bank in April of last year for safe-keeping.

The charges against Kleffel came in consequence of the transfer from safe-keeping to call deposits of $20,000 belonging to Henry Young and $12,000 belonging to M. M. Epport. Mr. Kleffel denied personal responsibility for the transfer. When called for the defence, Frank Hough, liquidator of the bank and other Raven enterprises, testified that in his opinion Mr. Kleffel "had done no wrong:" When the bank closed, Mr. Hough said, Mr. Kleffel owed it no money, but had $27,000 on deposit in the institution as well as holding a large amount of its stock.

The opening speech in the case was made by Assistant Police Prosecutor Ru, who called Detective Sub-Inspector Willgoss who testified in connection with deposits made by the A.O.B.C. with the Bank of China on April 8, 1935, the same day that Young, chief complaining witness, deposited $20,000 with the bank for safe-keeping. It was revealed that Tls. 154,000 had been deposited with the Bank of China on that day and it was intended to show that Mr. Young's $20,000 was included in this amount, instead of having been placed in the A.O.B.C. safekeeping vault. The $20,000, it was brought out at previous hearings, as well as Mr. Epport's $12,000, had been placed in call account, and never in the safe-keeping vault.

Near the end of the session, Mr. Kleffel took the stand. Questioned on whether he had asked the compradore to secure a loan with $82,000 worth of debentures of the Shanghai Power Co. and $40,000 worth of Government bonds as security, he replied that he talked with the compradore about several real estate lots and the use of these as security for the loan. When he learned that the Power Company debentures and bonds had been misused as securities, he immediately took steps to take them back to the vault. The debentures and bonds belonged to the Shanghai American School and some foreigners in Ningpo, and they were for safekeeping. On May 23, the compradore told him that he had secured a loan, but when he told the compradore the bank was going to close, the compradore said he had obtained the loan with securities. Mr. Kleffel admitted he did gold bar transactions through the compradore, but said he did not owe the compradore a single cent.

The highlights of the hearings were:

Mr. Hough, in reply to Mr. Bryan, said he did not know when he signed the complaint that it was a criminal action.

Asked whether, when an amount for safe-keeping had been unlawfully transferred to the call deposit account, the manager of the bank should be held responsible, Mr. Hough replied that the manager should not be held responsible unless he actually handled the money.

Dr. A. Grossmann, counsel for defense, asked Mr. Hough who might have had the advantage as a result of the transfer of the $20,000 of Mr. Young's from safekeeping to the call deposit account. Mr. Hough replied that the compradore of the Bank, Mr. Wang, received the money ffrom Mr. Young and he put the sum in his own bank. That money should have been put in the vault of the A.O.B.C. The compradore was a debtor to the bank.

Walter Francis Raven, former assistant manager of the bank and a nephew of Frank J. Raven, its former president, testified that Kleffel had been speculating on the gold bar market but had paid his losses, if there were any, out of his own pocket.

L. Feingold, former cashier of the A.O.B.C., and now employed by the liquidator, Detective Sub-Inspector Harry Willgoss, Dick Huang, former compradore of the bank; Soong, who had charge of the safe-keeping department, and Walter F. Raven, former assistant manager and office manager of the bank gave evidence. The latter admitted that at the time the bank closed its doors he had an overdraft of U.S.$6,000 and Shanghai $29,000. He also admitted that he had obtained these overdrafts in order to cover his losses on gold bars.

Bryan Attacks Liquidator Hough

In summing up the evidence, Robert T. Bryan, Municipal Advocate, severely criticized Frank L. Hough, liquidator of the defunct Raven institutions. He declared that Mr. Hough's activities in allegedly striving to "whitewash a crooked bank manager" and writing a "silly and foolish letter exonerating the defendant" without studying Mr. Kleffel's manipulations "convicts him of being either being a fool or a liar."

Mr. Bryan declared that Kleffel had been guilty of all irregularities a banker could possibly commit and that his alleged criminal manipulation was responsible for the failure of the institution.

Mr. Bryan in his scathing attack included Walter F. Raven former assistant manager and office manager of the bank, who was described as a 'brilliant young financier" who was so brilliant that he "extracted $29,000 and U.S.$6,000 from the bank without a cent of security." Mr. Bryan declared that Raven's testimony is subject to "grave and serious suspicion."

Dr. A. Grossmann, principal counsel for the defence, addressed the court on behalf of Kleffel Mar. 3. Among other things, Dr. Grossmann submitted that all the liquidator Mr. Hough had said should be accepted as facts. Did the prosecution expect that, after carefully examining the affairs of the A.O.B.C., and he found this defendant is not guilty of any misconduct, that he would come to the Court and say the contrary?

Judgment in the case is to be given March 10.

Students in East Hopei Refuse to Accept Manchukuo Teaching

Protesting against the use of the revised text books by the Manchukuo Government in their schools, students in East Hopei have gone on strike, according to reports received in Tientsin and published in the Shanghai *Ta Kung Pao* Feb. 28. Refusing to receive such education on the ground that it constituted enslavement, large numbers of the students in East Hopei have proceeded to Peiping and Tientsin to continue their studies.

Free Fight at Tsing Hua University

A free fight was staged at Tsing Hua University on the morning of Feb. 29 when 400 police and gendarmes forced an entrance into the campus, surrounded the dormitories and conducted a search for radical students. Three students were injured while trying to break through the cordon, whereupon the entire student body, 1,200 in number and including many girls, made a concerted attack. A fierce hand-to-hand struggle ensued. Many persons were injured on both sides, and ten police lorries were damaged. Two students were arrested and brought to Peiping for examination.

Just as dark fell the students made another sortie and, in a free-for-all, captured two policemen, who were held in the dormitories as hostages. The police however, occupied all the gates leading out of the campus. The students cut all telephone lines leading into Peiping. They were also reported to have manhandled the Dean of the University in the belief that he was responsible for summoning the police to arrest radical students.

While the fight at Tsing Hua was in progress, 200 police surrounded the National University of Peking and arrested three students. Radical literature and a portrait of Karl Marx were seized.

The police cordon round the grounds of Tsing Hua University, was withdrawn on the morning of March 1 following the release of the two policemen captured by the students. Altogether 21 students were arrested after the second brush with the police. They were all brought to Peiping for examination. In addition to the 21 students, the police arrested three professors, Shang Chung-yi, of the National University of Peking, and Messrs. Chang Sheng-su and Koo Yu-shu, of Tsing Hua.

"The National Liberation Association of North China" was established recently with the following members:—Peiping Students Union, Tientsin Students Union, Shansi Students Union, Peiping Cultural Circles National Liberation Association, Tientsin Peiping Reporters National Association and the Peiping and Tientsin Literary Youth National Liberation Association.

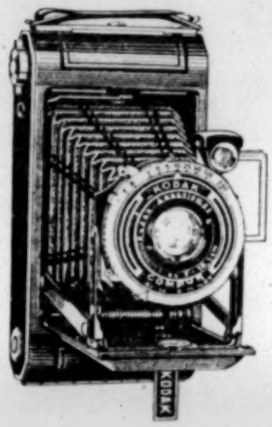
North-Eastern University was searched on the morning Feb. 21 by about 400 policemen, some in uniform and others in plain clothes. Forty-three students some of them girls, were taken into custody at the sametime. Prof. Liu Kian Yun (who is a graduate of Japan Imperial University, Tokio) was among those arrested Feb. 15.

Teachers Admonish Students in Letter

The Teachers' Union of Peiping and Tientsin addressed a long letter to the students in the two cities, Feb. 28 urging them to recognize clearly the objective of the patriotic movement and not allow themselves to be misled by the propaganda of Communist agitators. The letter expressed sympathy with the motives which led the students in Peiping to hold demonstrations on Dec. 9 against the autonomy movement in North China, but regretted that the students should have continued to strike after they had already accomplished their object. The attitude of the Student Unions towards the conference called by General Chiang Kai-shek was strongly criticized by the teachers.

President Mei Sends Apology to General Sung

Assuming personal responsibility for the disorderly conduct of the students who clashed with the Peiping police Mei Yi-chi, President of the National Tsinghua University, telegraphed to the Ministry of Education asking for appropriate punishment. He also sent a written apology to General Sung Che-yuan, Chairman



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of the Hopei Provincial Government, who is reported to be dissatisfied with President Mei's lack of control over his students.

Student Demonstration in Hongkew

Disturbances were created in the "Little Tokyo" in Shanghai in the afternoon of March 1 when more than 300 Chinese students staged a threatening demonstration. The Japanese papers stated that the students, armed with white banners, marched through the Japanese quarter, shouting anti-Japanese slogans. At Nanzing Road, they were dispersed by a squad of Municipal police who rushed to the scene upon receipt of information from the Japanese. In addition to the students, about 50 workers also participated in the demonstration.

Leaflets entitled "The New Road" were distributed by the anti-Japanese elements to instigate the workers to stage their demonstrations. Others were entitled. "Down with Japan." "To support our supreme leader." "To restore the Chinese Revolutionary Rehabilitation Group." Another handbill emphasized the greedy aggression of Japanese in China, and appealed to the people to gather together under the leadership of the supreme leader for the cause of the final triumph of the nation.

British Communist Asks About Shanghai Student Demonstrations

The Shanghai student demonstrations of Dec. 24 formed the subject of a question in the House of Commons Feb. 24 when a Communist member asked for information regarding the number of students injured in the fighting with the police, the number of those under sixteen years of age, and whether British-controlled police in the Settlement in Shanghai were authorized to ban demonstrations against the Japanese policy in China.

"The British authorities in China have been asked for a further account of this incident," Mr. Eden replied, "but the report has not yet been received. Regarding the last question, the police are under the control of the Shanghai Municipal Council, an international body consisting of fourteen members, five of which are British and five Chinese."

Premature Announcement of Settlement of Student Trouble

Reports that the student agitation at the National Tsinghua University, Peiping, and the Wuhan University, Wuchang, had been "satisfactorily settled," received at Nanking end of last week, by the Ministry of Education from the authorities of the two institutions, were belied by later events. Dr. Mei Yi-chi, Chancellor of Tsinghua University, reported that the faculty members who recently resigned en bloc on account of the student trouble had agreed to withdraw their resignations. The report from the Wuhan University stated that campus conditions had returned to normal and that the ringleaders of the student agitation had been given severe disciplinary punishment by the university authorities.

Anti-Japanese Demonstrations in New York

Two hundred mounted and foot police were posted outside the Japanese Consulate in New York, Feb. 29, which is located in a skyscraper on Fifth Avenue, to deal with a demonstration against Japan's national policy, sponsored by five American organizations. Two members of the American League Against War and Fascism were allowed to enter the Consulate to present a resolution warning "Japanese warlords that their aggressive action against Outer Mongolia, the U.S.S.R. and China will arouse millions in support of the invaded peoples."

A demonstration on a somewhat smaller scale had been made a week or so earlier by "Reds," in front of the Japanese, Italian and German Consulates in New York.

Railway Fares in U.S. May Not Be Over Two Cents per Mile

The U.S. Inter-State Commerce Commission Feb. 29 prescribed a rate of not over two cents a mile for railways in the United States. This order affects particularly the huge Pennsylvania and New York Central systems, which have been charging three cents and more a mile. Most roads in the west have been charging only two cents a mile for several years past.

Mrs. Vanderbilt Appeals to U.S. Supreme Court for Custody of Child

Mrs. Gloria Vanderbilt, mother of the ten-year-old Miss Gloria Vanderbilt, over whose custody a bitter court battle was waged last year, has appealed to the United States Supreme Court from the order which awarded custody of the child to Mrs. Cornelius Vanderbilt Whitney, aunt of the youngster.

"Kochu Kungssu" Plans Control of China's Northern Coal Resources

BY THE REVIEW'S TIENTSIN CORRESPONDENT

THE arrival in North China of Shinji Sogo, president of the recently organized Kochu (or Hsinchung) Kungssu, has revealed one aspect of the proposed activities of the company which has so far been not the subject of a discussion in the press, —the exploitation of coal resources of North China. According to reports in the Japanese press, the initative in this direction was taken by another person than General Yen Hsi-shan, pacification commissioner of Shansi and Suiyuan Provinces, who allegedly approached, through a special representative, the Japanese financiers, including Mr. Sogo, with a request to extend financial and technical aid in the exploitation of coal resources of Shansi and Suiyuan.

Mr. Sogo, president of the Kochu Kungssu, is now in North China, exchanging amenities with Chinese officialdom and business men, incidentally exploring the ground for the future activities of his corporation. It is understood that in the course of his interviews with the Chinese leaders he stressed three fundamental principles underlying the proposed activities of the Kochu Kungssu and adopted at a recent inaugural meeting of shareholders—the Japanese and the Manchukuo Governments and leading financial magnates of Japan—in Tokyo, to wit :—

1. Japan does not entertain the idea of monopolizing economic rights and interests in China and is ready to cooperate with any third country in extending assistance to China in her economic development.

2. Increasing the purchasing power of the Chinese people must be the fundamental principle of the economic recovery of China, hence it is the aim of the Kochu Kungssu.

3. The corporation will strive to invite Japanese capital for various Sino-Japanese joint enterprises in China.

Inadequate Means of Communication

According to a report in the *Manchu Nichi Nichi Shimbun* (Dairen), General Yen complained of the instability of the situation in North China, absence of inadequate means of communication, and also of capital and technical resources, as primary causes for the coal resources of Shansi and Suiyuan lying dormant. The report stated that General Yen pointed out only three coal mines—the Chinpei, the Paochin and the Yangchuan mines—operating in Shansi with a total output of not more than 450,000 tons in a year. "The Shansi leader has already prepared a plan," the report stated, "to organize two more mining companies and to construct a new railway," for the realization of which plan he is reported to be seeking Japanese aid and first of all that of the Kochu Kungssu.

Shansi has been rightly called "the coal province of China," for out of the total estimated coal reserves of China amounting to about 250 billion tons, more that half of it—about 127 billion tons—is reported to be in Shansi Province. If we add to it the estimated reserves of coal in Suiyuan, Chahar, Hopei and Shantung provinces, it will be clear that nearly 70 per cent of all coal deposits in this country are in North China, that is to say, under the direct influence of Japanese capital and politics. The consequences of this situation appear to be tremendous, for being able to control the coal industry of North China, the Japanese will exert an inexorable pressure on Chinese industry and means of communication as a whole. It is evident from the fact that, aside from political pressure, they will be in a position to control prices on coal, establishing a virtual monopoly on the coal industry as they did it in Manchuria. That the situation will inevitably come to such a turn seems to be obvious from the fact that even now the Manchurian coal monopoly is working havoc in the Chinese coal market underselling the native or foreign mined coal in China. As the result of this cut-throat competition, the coal mines in North China are closing one after another, until they are taken over by the proposed Sino-Japanese coal mining enterprises.

The Japanese already have extensive interest in the coal mining industry of North China, controlling six coal mining enterprises, as is seen from the following table, showing the location, ownership and annual production of each coal mine worthy of note in North China :—

Mine	*Ownership*	*Province*	*Production*
Chinpei	Chinese	Shansi	120,000 tons
Paochin	,,	,,	90,000 ,,
Yangchuan	,,	,,	200,000 ,,
Shikwakow and others	,,	Suiyuan	91,200 ,,
Hsuanhua and others	,,	Chahar	114,000 ,,
Kailan	Sino-British	Hopei	4,000,000 ,,
Mentokou	,,	,,	300,000 ,,
Yangchiachao	Sino-Japanese	,,	? ,,
Chinfeng	Japanese	,,	350,000 ,,
Yili	,,	,,	? ,,
Lingcheng	,,	,,	700,000 ,,
Liukiang	,,	,,	200,000 ,,
Chinghsing	Chinese	,,	700,000 ,,
Lutah	Sino-Japanese	Shantung	500,000 ,,
Chung Hsing	Chinese	,,	1,300,000 ,,
Tung Ho	,,	,,	300,000 ,,
Yueh Sheng	,,	,,	300,000 ,,

Of these mines, the Liukiang Mine, ought to be classified as Sino-Japanese, but last fall the Japanese partners forcibly seized the control of the mine, expelling the Chinese colleagues from the management. The company was capitalized at $1,440,000, and the coal deposit of it is put at 135,000,000 tons.

According to Japanese sources, the coal deposits of all North China provinces, affected by the present politico-military set-up there, and consequently under direct Japanese influence are as, follows : Shansi—127,000,000,000 tons, Hopei—3,071,000,000 tons Shantung—1,639,000,000 tons, Chahar—504,000 tons, besides the resources of Suiyuan Province, about which no information is available. As stated above, these deposits represent about 70 per cent of the entire coal reserves of China. Controlling these resources, the Japanese place themselves in a key position from which they will be able to exert an inexorable pressure on the entire Chinese industry and systems of communication.

If this constitutes the much talked about Japan-China-Manchukuo economic *bloc*, wherein all parties allegedly participate on equal terms, then it is not enviable. A surprising side of it is the fact that by inviting Chinese capital to take part in all these enterprises, the Japanese have in view to harness the Chinese by their own money, something we have rarely seen nowadays.

Tientsin, February 28, 1936.

A Proposed Deal in Arms with Gen. Cohen That Didn't Materialize

The name of General Cohen, formerly prominent in Chinese military affairs in South China, was mentioned in a the trial of two Englishmen in London Feb. 27 charged with conspiracy to defraud, and trying to obtain £1,000 by false pretences from Commander Charles Rodney St. John Rich, R.N. (retired).

Captain Ball, a director of the Soley Armament Co., said that the he interviewed one of the accused last autumn in connection with arms for China, but nothing came of it. He never had a contract with his firm. Captain Ball agreed that the accused introduced him to a General Cohen. Captain Ball said that at the time General Cohen, who had considerable influence in the army in Southern Chin, was in England. An intermediary named Brockdorf had authority to act for his firm in issuing a letter to one Tucker or General Cohen that if an order for arms were given, together with the necessary permit from the Chinese Government, they would supply the arms, provided the Board of Trade would issue the necessary export licences. Nothing came of the interview with General Cohen.

American Papers Want More Chinese News, "United Press" Head Says

American newspapers want more political and economic news about China, H. Furay, Vice-President of the *United Press* Associations, stated in Nanking when he visited there last week. Mr. Furay declared that the American reading public was also demanding more background material interpreting factors behind the news.

One of the hindrances in the way of sending out more Chinese news abroad by foreign news agencies, in the opinion of the visiting journalist, is the high cable rate. The present deferred cable rate, according to him, is as high as 13 cents (U.S. currency) per word. The press rate should be cut down in order to facilitate better news supply to the reading public, Mr. Furay suggested. Mr. Furay was the guest of honor at a dinner party given by Dr. T. T. Li, Director of the Department of Publicity of the Ministry of Foreign Affairs, Feb. 27. He was also entertained by the Nanking Journalists Institute at a luncheon party.

Foreign Banks in Tientsin Allegedly Try to Smuggle Silver

A *Central News* Agency telegram from Tientsin Feb. 21 stated that an alleged attempt to smuggle silver out of Tientsin by several foreign banks had been frustrated by the Customs in said port the previous day. The discovery was made in the morning about 8 o'clock, when Customs inspectors found a large quantity of silver on board several Shanghai-bound steamers, without licenses for such shipments. The silver was detained. When questioned, shipping officials declared the silver was being shipped to Shanghai to be exchanged for legal tender notes. After detaining the shipments, the Tientsin Municipal Government immediately notified the various foreign banks concerned to the effect that silver could be exchanged for legal tender notes in Tientsin. The result was stated to be that the Chinese Chamber of Commerce and the various Chinese banks are co-operating in measures for the prevention of the outflow of the white metal from the local market.

Japan's Army Forces the Pace

BY C. Y. HSIEH

IT is easier to regret than to explain the bloody military coup in Tokyo on February 26 which brought an end to the Okada cabinet and claimed the lives of four high Japanese government officials including the octogenarian Finance Minister Takahashi. As the culmination of a series of similar political outrages during recent years, this uprising perhaps need occasion no surprise. It is inevitable that the so-called "young officers" of the Army who had on several occasions in the past forcibly imposed their political will on the government with comparative impunity should seize a chance to achieve their ascendency once for all. And whatever the degree of success or failure of their present attempt, it is most likely that the new set-up in Tokyo may discard what pretense to political sanity and decency the previous administrations had deemed it necessary to put up.

That this may be what the military revolt will lead to seems to be fairly well borne out by the course of events. For whichever way it may be viewed, the situation on the eve of the outbreak did not reveal that any great principle was at stake. The general impression here in China and abroad that the coup was the climax of a long drawn-out contest between the liberal and jingoistic elements in Japan cannot be subscribed. Liberalism may not be extinct in Japan, but as a political force there it has long been dead. And those leaders whom conventional parlance would dub as liberals are anything but liberals in the accepted sense. Hitherto the achievement of national solidarity on foreign polities should have left no room for possible dissensions, and the victims of the assassination had neither by their word nor by their deed deserved any hatred for serious objection to the country's aggressive, expansionist policies.

Why, then, their terrible fate?

To answer this question it is necessary to understand those traits of the Japanese which have a political bearing. And of these two, outstanding ones are impetuosity to act and impatience for results. Just as the individual Japanese are very apt to make the fulfilment of a definite objective—success in love affairs, for example—an issue of life and death, so the Japanese as a nation would not hesitate to stake their all for what they regard to be the realization of their apparent destiny. It is no exaggeration to say that their national life has been dominated and urged on by an instinct to conquer or to perish. And this instinct has been sharpened by the impact of modern ideas of a powerful militaristic state. The worst part of it is that the will to victory would not brook any delay in time or be bothered by the propriety of means. For years the Japanese expansionists have carried out their Continental policy, so to speak, on schedule and without choice of methods. What matters most to them is the prompt, efficient attainment of results.

It is these traits which spell the doom of those seasoned Japanese politicians who in their heart of hearts were probably no less nationalistic than the young officers, but who being placed in more responsible positions, were naturally more cautious and wary and less headstrong and reckless. They regarded the true interests of empire to lie in a quiet, smooth, though persistent and firm, prosecution of aggressive policies. It was their conviction that national aggrandizements are possible without great national sacrifices and serious international disturbances—a belief in peaceful penetration which is best summed up in Koki Hirota's dictum "victory without war."

With this view, however, the young officers disagree as they cannot think of expansion and empire except in terms of war and conquest. Proud, confident and never chastened by defeat in the modern era, these descendants of the samurai consider it below their dignity to take without striking a blow, or to expand without victimizing some one, or to glorify one's own country without humiliating another. To them the code of honor is conquest for conquest's sake. For if they prize the spoils of war, they prize its trophies more. It is these desires and hopes which have been baulked and disappointed by the supposedly civilian government—a government which has practically satisfied all of their claims but the right to wage war lightly, a government not so much the nemesis as a serious obstacle to a full play of chauvinism. The natural conclusion arrived at by such an attitude is that the government must go. And so the Japanese military, who set the pace for the nation, have dropped those leaders who could not keep it.

In view of this it is safe to predict that whoever may be called on to form the next cabinet in Tokyo must be able not only to do the bidding of the Army, but to do it promptly and without much ado. If the aforegoing paragraphs are a correct reading of the events, then the international repercussions are not difficult to imagine.

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Nanking Awards Broadcasting Station to British Marconi

The Chinese Broadcasting Administration in Nanking last week awarded a large contract to the British Marconi Company for a high power shortwave wireless broadcasting station capable of communicating with all countries in the world. The plant, which represents the largest of its kind in the Far East, will be manufactured in England and will take more than two years to erect. A group of Chinese radio engineers will proceed to the Company's College and Factory at Chelmsford, Essex, to inspect the plant during manufacture and to gain experience in modern radio technique. Experts from the Company's home and local organizations will assist in the erection work. This contract follows upon a series of important orders recently awarded to the Marconi Company through their local representative, notably the elaborate wireless beam plant, which now serves the China-Great Britain radio circuit, and also a series of stations which are for use in connection with an extensive scheme for domestic telephone and telegraph communication.

Sino-British Boxer Indemnity Loan for Purchase of British Materials Is Approved

The request of the Ministry of Railways for a loan of £260,000 for the purchase of rails and other construction materials for the Canton-Hankow, Tientsin-Pukow, Peiping-Hankow and Lunghai Railways was approved at the general meeting of the Board of Directors of the Sino-British Boxer Indemnity Refund Commission held in Shanghai March 2.

200 Japanese Looms Bought by Chinese Mills

According to the reports received here from Tsingtao, two hundred looms have been purchased by the Chinese cotton mills, Ya-tai and Ta Hing, in Sian, Shensi province, recently from the Sakamoto Machine Building Plant. Both Chinese cotton mills are being reconstructed and equipped with the new machinery.

Japanese Manager of Hsin Chung Company Visits Gen. Han Fu-chu in Tsinan

After a strenuous day in Peiping, where he conferred with Chinese Government and commercial leaders for the economic development of North China, the manager of the Hsin Chung Company, affiliated to the South Manchuria Railway Company, organized recently for the economic exploitation of China, returned to Tientsin end of last week.

The Japanese manager at Tientsin called on Nieu Chuan-shang, Chairman of the Board of Directors of the Far Eastern Economic Association and discussed about economic cooperation between China and Japan. The Japanese manager on Feb. 28 also proceeded to Tsinan where he called on Gen. Han Fu-chu, Chairman of the Shantung Provincial Government and Chinese commercial leaders there. He later came to Shanghai.

Japanese Naigai Cotton Concern to Have New Plant

The Shanghai *Nichi Nichi* states that a new plant will probably be constructed in the near future in addition to the large and powerful Naigai Cotton Mills in Shanghai. The new plant will be constructed by the side of the No. 1 mill. Thanks to the high Chinese customs tariff the Japanese mill is enjoying an increasing market in China. The new plant will produce a large quantity of dyed cotton piece goods.

Japanese Railway Investigators Tour Shantung and Shansi

Six investigators of the South Manchuria Railway Company and six investigators of the Manchurian electric corporation arrived in Tientsin from Manchuria Feb. 28. After two days' stay there, the investigators went to Peiping, and later to Shantung and Shansi to investigate the railway and electric installations in the two provinces.

Hunan-Kweichow Railway to Be Built Soon

The Ministry of Railways has definitely decided to build a railway connecting Chuchow in Hunan Province with Kweiyang in Kweichow Province. An office will be organized in Changsha, capital of Hunan, in the near future with Messrs. Hou Chia-yuen and Li Yo as Director and Vice-Director of the office to take full charge of the preparation work, including survey of the line.

New Locomotives to Be Put on Shanghai-Nanking Run

The six powerful locomotives ordered from England by the Canton-Hankow Railway and recently shipped to Shanghai, will be loaned for service to the Shanghai-Nanking Railway this month pending the completion of the new line. With these new engines in service, it is expected, the time of travel between Shanghai and Nanking will be shortened.

Ta Sen Cotton Mill to Be Sold at Auction

Because of heavy losses, the Ta Sen No. 2 Cotton Mill in Shanghai with a total of 3,000 spindles and 240 weaving machines went into liquidation, according to a decision recently reached by the Board of Directors of the Company. It is further reported that the factory will be auctioned in Shanghai on March 9, the minimum price being tentatively fixed at $2,000,000. It is planned that the money received will be used for the payment of the loans of the factory.

Radio Station to Be Erected at Paoting

Plans are under consideration for the organization of a Reconstruction Commission for Hopei, which will be a technical organ in charge of planning development projects for the province. One of the first steps to be taken, it is learned, will be the erection at Paoting of a radio station with 500 watt power for the purpose of disseminating information and public education.

Oil Embargo Against Italy Not Likely—Further Italian Victories in Ethiopia

Advices from Geneva March 2 stated that the prospects of invoking an embargo on oil against Italy were not bright.

This announcement came simultaneously with reports of further advances by the Italian legions in Ethiopia, particularly in the Tembien area. The Ethiopians were compelled to evacuate the capital of the district, after having suffered a loss of 3,000 killed, according to Italian reports.

Recent messages from Europe and Ethiopia indicated that the Negus's army was on the verge of destruction from the terrific onslaughts by the most modern war weapons both on land and in the air, used by the Italians.

Ten thousand slain Ethiopians and thousands of wounded littered the north Tembien area after the forces of Marshal Badoglio had smashed the armies of Ras Kassa to bits, a telegram from the Italian northern Headquarters in Adiquala March 1 stated.

A final effort to bring about peace by conciliation between Italy and Ethiopia was decided upon at the meeting of the Committee of Eighteen on Geneva, Mar. 2.

U. S. Fleet Will Hold Maneuvers Off Panama Next Month

The United States fleet will leave for spring maneuvers off Panama on April 10, according to arrangements made public by the U.S. Navy Department Feb. 28. A Congressional delegation from the Pacific coast appeared before the Naval Committee of the House of Representatives Feb. 28 and urged a six per cent differential in favor of West Coast shipbuilders in the proposed construction of 54 auxiliary naval vessels. "We would be worse than blind if we closed our eyes to conditions in the Far East," declared Mrs. Florence P. Kahn (Republican, California), a member of the delegation. "This is a matter of self-defence and the committee cannot afford to overlook it," she added.

Japanese to Build Naval Harbor at Taku?

The Shanghai *Shun Pao* published a telegram from Tientsin March 1 to the effect that the Japanese have stopped the construction work for the building of a naval and commercial harbor at Taku, as a result of the British protests. According to the British authorities, the Japanese have occupied large tracts of British-owned land for the construction of the harbor.

It was reported that the Japanese authorities are looking for another suitable place to build the harbor.

The *China Times* in an editorial March 1 urged the strengthening of China's national coastal defence. "The Japanese have decided to build a naval and commercial harbor in Taku at the mouth of the Peiho near Tientsin at a cost of $500,000. This action is most important as the completion of the work will mean the control of the North China port by the Japanese navy."

Organized Laughter As An Aid To Health!

It is reported from Paris that a doctor there conducts a meeting once a week where people congregate for the purpose of enjoying a hearty laugh. With the aid of a gramophone and a laughing record the doctor creates the right atmosphere, and as the comic side of the situation strikes those present they begin to laugh. Laughter begets more laughter until the whole house is rocking. This continues until many cry out to the doctor to stop. Gradually composure is regained, and, according to the report, the people disperse in a lighthearted frame of mind with their aches and pains forgotten.

Another way of keeping in good form is by taking an occasional dose of Pinkettes. These tiny laxative pills gently correct constipation, tone up the liver, aid digestion, prevent congestion in the food tract, banish biliousness, relieve piles. Obtainable at chemists everywhere. Pinkettes are laxative perfection.

THE GIST OF JAPANESE PRESS OPINION

Violators of the election law are still being arrested one after another following the recent general election. Some of the arrested are charged with corruption. This is quite regrettable in view of such strenuous efforts made towards the purification of elections.—*Tokyo Miyako.*

The unpopularity of reactionary influence is evidence that people as a whole frown on fascist influence. The people's rejection of fascist and other reactionary influence has resulted in the advance of proletarians. This fact everybody has to acknowledge.—*Tokyo Jiji.*

So remarkable is the advance made by the Proletarian Party through the general election, that it must be a great surprise even to the party itself. This success is mainly due to the other parties' loss of popular confidence, and the Proletarians must be warned against reaction.—*Tokyo Nichi Nichi.*

The Indo-Japanese conference scheduled to be held in April at Simla for revision of the commercial treaty between the two countries is an opportune moment to improve their economic relations. In view of the Indo-Japanese trade situation, we hope Japan will claim further advance of export. —*Tokyo Chugai.*

The Manchu-Mongolian border troubles are now steadily aggravating the relations between USSR and this Empire. Our suggestion for improvement of the situation is the mutual effort for a political understanding,if possible through a personal interview.—*Tokyo Nichi Nichi.*

The S.M.R. Company is having great difficulty in issuing its debentures. The reason may be the over-issuance of loans and the unfavorable condition of the money market. But the more weighty reason appears to lie in the inadequacy of the confidence the S.M.R. has among bankers.

Diplomatic Correspondence 16 Years Ago Noted Japan's Influence in Manchuria

Diplomatic correspondence of the U.S. State Department in 1920, was made public in Washington March 1 concerning a 16-year-old conflict between the United States and Japan in regard to Japan's rising economic and political influence in Manchuria and Mongolia. A statement of American policy to "remove a tendency for the Chinese Government to gravitate politically towards any one Power," was contained in a letter dated February 28, 1930, sent by the Acting Secretary of State, Mr. Polk, to Mr. Morris the United States Ambassador at Tokyo. The letter outlined a visit to the Far East by Thomas Lamont, a partner in Messrs. J. P. Morgan and Co., in connection with the American proposal for a four-Power banking consortorium to extend financial aid to China. It described the consortorium policy as "a practical way of ensuring continued equal economic opportunities and chances for trade" in China. The letter expressed the disappointment of the United States that Japan alone had shown disinclination to work in harmony for the estalishment of a consortorium. Mr. Polk complained particularly against Japan's proposal that the "special rights and interest which Japan claimed in South Manchuria and eastern Inner Mongolia should not be included in the field of operations of the proposed financial combination."

Experienced Mothers Rely On Baby's Own Tablets.

What better recommendation could there be for any children's medicine than the experience of mothers who have raised large families in health and happiness? Among the many striking tributes to the merits of Baby's Own Tablets as a health corrective for the young are the following three:

"I have used "Baby's Own" for twenty-five years and all my children, seven boys and seven girls, are fine and healthy and never had a serious illness in their lives," states Mrs. Philip Moreau, Victoria Harbour, Canada.

"I am the mother of ten children, all living, and Baby's Own Tablets have been in the house for fifteen years," are the words of Mrs. Roy Dunkley, Stirling, Ontario, Canada.

"As the mother of seven children I recommend Baby's Own Tablets as the only medicine needed for all. I have never lost a night's sleep while any of my children have cut their teeth, and have always used Baby's Own Tablets for all of them." states Mrs. J. W. McClenaghan, Cache Bay, Ontario.

With such evidence to guide her choice of a health corrective for her baby, the young mother may with confidence rely on these Tablets speedily to put right such childish ailments as indigestion, upset stomach, colic, feverishness, colds and croup.

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Fukien Now Faces Another Japanese-Inspired "Autonomy" Movement

BY THE REVIEW'S SOUTH CHINA CORRESPONDENT

THE imminent materialization of a Japanese-inspired "autonomy" movement in Fukien, the neighboring province of Kwangtung and an important strategic point in eastern China coast, is visualized by a prominent member of the South-west Political Council of Canton, Chow Lu. The South-west Council is the highest political authority in Kwangtung and Kwangsi in which the most influential militarists and politicians of the Two Kwangs are all members. Chow Lu as the chief political licutenant of Hu Han-min, elected Chairman of the Standing Committee of the Kuomintang Central Executive Committee, is well known for his strong anti-Japanese statements issued from time to time either as Canton's chief political spokesman or as Chancellor of the Sun Yat-sen National University of Canton. Students of this University were leaders in recent anti-Japanese agitations in South China.

As one of South China's leading political authorities the warning of an imminent Japanese invasion in Fukien, which is in close proximity to Formosa, by Chow Lu is worth our closest attention. Chow Lu's stirring speech appealing to the whole nation to prepare for resistance against Japan was made at the Kuomintang weekly session held at the Kwangtung Provincial Government House last Monday morning. The Commanders-in-chief of Kwangtung and Kwangsi, Generals Chen Chi-tang and Li Tsung-jen, were among the prominent persons at the audience.

Chow Lu commenced his speech by reviewing the sad events in September 1931 leading to the rapid loss from the National Government of Fengtien, Kirin and in the subsequent months, Heilungkiang. Jehol was the last of the four north-eastern provinces to surrender to the invaders. In 1935 the Japanese went one step further towards the final subjugation of North China by instigating the East Hopei autonomy movement under Yin Yu-keng. From East Hopei the autonomy movement No. 1 was followed closely by autonomy movement No. 2, the Hopei-Charhar Political Council. Next to Hopei and Charhar to surrender to the Japanese pressure was the recent announcement of the new autonomy movement in Inner Mongolia.

Japanese Plotting in Fukien

Chow Lu surprised his listeners by saying that definite information had been received from Kwangtung's neighbor that a Japanese-inspired autonomy movement is about to materialize in Fukien. The Fukien autonomy movement will be run by the Japanese on similar lines as they started the earlier autonomy movements in North China and Inner Mongolia. The speaker called the attention of the Government officials that from eastern China this "autonomy" epidemic can easily spread to the valley of the Pearl River and one day the Cantonese will face the serious problem of a Japanese invasion. "What the Japanese want is not only north-eastern China, not only North China, not Inner Mongolian but the whole of China, "said Chow Lu.

Continuing, the same speaker said that in their dealing with the Chinese government leaders the Japanese politicians and militarists wore different masks. To the Nanking Government the Japanese assured the leaders of the Central Administration that Japan would assist Nanking to accomplish unification in the country and would secure the allegiance of South-west China for Nanking. To the South-west Government the Japanese proposed an anti-Chiang Kai-shek movement with Japanese assistance, adding that the Japanese inspired autonomy movement in the North was one of Japan's ostensible actions to precipitate the early success of an anti-Chiang Kai-shek by the South-west influence. To the North China army commanders the Japanese also assured them of the support of the South-west if they agreed to instigate an anti-Chiang Kai-shek government. To the same group the Japanese also threatened the leaders with dismissals if they remained friendly and took orders from the Nanking Government, citing the example of the Japanese demand for dismissal of General Yu Hsieh-zung, until 1935 the garrison commander of Peiping and Tientsin and former subordinate of General Chang Hsueh-liang.

Japan and the Western Powers

To the western Powers the Japanese professed that a new understanding had been achieved between the Japanese and Chinese leaders of Nanking and the South-west and indeed the whole of China. With such or similar statements the Japanese warned the European Powers of the danger of their intervention in Chinese affairs without Japanese approval. "Ridiculous as it seems, each side is expected to believe that Japan is particularly friendly to it. This gives Japan an opportunity to tell the world that China and Japan are on friendly terms and that whatever is happening between the two countries is no business for a third party."

"Towards this Japanese policy of bluffing and make-belief the weak-kneed Chinese leaders are indeed pitiable, because they find themsevles unable to formulate a strong foreign policy. With the exception of Kwangtung and Shantung, in which the provincial government leaders initiated their own firm stand against the invasion of Japanese influence, the whole of China has not taken any single move in counter-resisting the Japanese invasion."

After severely condemning Government suppression of the students' patriotic movement and anti-Japanese demonstrations, Chow Lu said that the only solution for China's self-preservation was "resistance against the Japanese."

Referring again the Japanese designs in South Chinas Chow Lu said that to was noteworthy that Japanese warship, were concentrating in Formosa and holding maneuvers there recently. Also there have been increased Japanese activities in Amoy and Foochow. Chow Lu added that in view of the fact that the Soviet Union was completing her second five year plan in 1937 and America was completing her naval construction program in 1939, Japan was most anxious to subjugate the whole of China this year in order to be in a better position to deal with Russia in 1937. "In short, Japan wants to strike first before America and Russia are in a better position to challenge her conquests in the Far East and on the Pacific. The Western Powers also realize the Far Eastern danger in view of Japan's designs in China. The Anglo-French peace plan attempting to end the Italo-Ehtiopian conflict, the increased military preparations voted by the American Congress and the creation of a Defence Ministry by Great Britain—all these preparations for war show the entire World's apprehension of any fomenting of the Far Eastern situation.

To counter-resist these Japanese tactics the only and one solution of China today is unity among the leaders and various factions. The time has ended for the foreigners to regard the Chinese minds as a handful of "scattered sands." No longer should the Chinese be made the laughing stock of the Japanese who say that the Chinese can never stand on their own feet and prepare for any foreign invasion. With these warning words, Chow Lu concluded his speech by saying that the day would come when the Chinese realized their past blunders and made some earnest efforts for resistance against Japan. Only when such a time came was the Chinese situation worthy of the attention of the Western Powers.

Hongkong, February 21, 1936.

Manchukuo Celebrates Fifth Anniversary

Manchukuo celebrated the fifth anniversary of its foundation Mar. 1 with large scale mass meetings, lantern parades and other ceremonies, according to a *Domei* message from the Manchurian capital.

In Hsinking, the program opened with an open air gathering at Tatung Park where a flag-raising ceremony was held.

Gen. Chang Ching-hui, the Premier; Gen. Jiro Minami, Japanese Ambassador to Manchukuo and concurrently Commander-in-Chief of the Japanese Kwantung Army and other high Manchukuo and Japanese officials, delivered "congratulatory" addresses. Lecture meetings were be held in the afternoon at the Hsinmin Theatre and at the Memorial Auditorium.

Tacoma-Orient Steamship Co. Withdraws from Far Eastern Route

On top of recent reports that the American shipping service on the Pacific route is fast dwindling, a cablegram received by a certain firm in Tokyo, quoted by the Tokyo *Asahi* Feb. 28, gave news to the effect that the Tacoma-Orient Steamship Company which is running a line between the western coast of the United States and the various Oriental ports has been compelled to suspend shipping owing to strained circumstances.

The company, it was stated, recently was told that the subsidy of the Uhited States Government would be reduced and it has been found that it would be impossible to continue business—among other reasons because of the advance of Japanese shipping

Noted German Authors and Lawyers Are Deprived of Citizenship

Twenty-five German writers, artists, lawyers and journalists, including the novelist, Arnold Zweig; the former director of Dusseldorf Theatre, Wolfgang Langhoff, and Herbert Stahl, the writer who contributes to a number of American papers, are deprived of German nationality in accordance with a decision announced in Berlin, Mar. 3 by the Reich Ministry of Interior. All these men are refugees who have been living abroad since the advent of Herr Hitler's rule in Germany.

Who's Who in China

李中襄
Li Chung-hsiang

Li Chung-hsiang, Government official and educator; born at Nanchang, Kiangsi, 1896; graduate of Hsin-Yuan Middle School, Nanchang; B. Sc. in Civil Engineering, National Tangshan University, Tientsin; member of the Planning Committee of Party Affairs Committee of Kuomintang, 1931; member of Standing Committee of the Party Affairs Readjustment Committee of Kiangsi; chairman of the Party Affairs Department of the Field Headquarters of the Bandit-Suppression Forces in Kiangsi and concurrently director of the *Min Kuo Jih Pao* (Kuomintang daily news) of Kiangsi, 1933; delegate of Kiangsi to the 4th and 5th National Congreses of Kuomintang at Nanking; secretary of Kiangsi Provincial Department of Education, 1925; secretary of Kiangsi Provincial Department of Reconstruction, 1928; secretary and chief of 1st section of the Anhwei Provincial Department of Education, 1929; acting Secretary-General of the Anhwei Provincial Government, 1930; acting Commissioner of Education of Anhwei, 1931; assistant director of the Kerosene and Salt Control Bureau of the Provisional Headquarters of the President of the Military Affairs Commission, 1933; teacher of Kiangsi Provincial 3rd Middle School 1920; headmaster of Hsin-Yuan Middle School and teacher of Provincial 2nd Middle School, Nanchang, 1921; professor and chief of general affairs of Hsin-Yuan College, 1924; lecturer and chief of business department of the National Central University, Nanking, 1927; professor of Anhwei University, Anking, 1929; member of Standing Committee of the Executive Committee of Kiangsi Provincial Party Headquarters, since July, 1935; Chairman of the Kiukiang Municipal Council, since June, 1934; chairman of the Board of Directors of Hsin Chien Middle School, Kiukiang and member of the Board of Trustees of Hsin-Yuan Middle School, since 1935; member of Mass Education Committee of Nanchang; address: Kiukiang Municipal Council, Kiukiang, Kiangsi.

李中襄，江西南昌人，年四十歲，南昌心遠中學畢業，國立唐山大學理學士。任黨經歷：民國二十年任黨政委員會黨務設計委員，同年任江西省黨務整理委員會常務委員，二十二任剿匪軍前敵總指揮部黨務處主任委員，兼江西民國日報社社長，四全及五全大會江西代表。政治經歷：民國十四年任江西省教育廳秘書，兼江西中等以上學校畢業考試委員會委員會，十七年任江西建設廳秘書，十八年任安徽教育廳秘書兼第一科長，十九年代理安徽省政府秘書長，二十年代理安徽教育廳廳務，及安徽教育行政人員養成所所長，代理安徽省普通考試檢定委員長，二十二年任軍事委員會委員長行營火油食鹽管理局副局長。教育事業：民國九年任江西省立第三中學教員，十年任心遠中學監學，兼省立第二中學教員，十三年任心遠大學教授，兼總務長，十六年任國立中央大學講師兼事務主任，十八年任安徽省立安徽大學教授，二十一年任江西省檢定黨義教師委員會常務委員，二十三年任江西省公民教員訓育主任及審察委員會常務委員。現任：江西省黨部執行委員會常務委員，兼任第一區黨務處主任委員，江西省義務教育委員會委員，推行音樂教育委員會委員，九江私立行健中學董事長，心遠中學董事，及九江市政委員會主任委員。通訊處：江西省九江市政委員會。

In the United States Court for China

MANUEL NER PANGANIBAN, Plaintiff, vs. CONSORCIA BELTRAN PANGANIBAN, Defendant.	Cause No. 4018 Civil No. 1910 Filed at Shanghai, China, February 11, 1936 William T. Collins, Clerk. L. T. Kenake, Asst. Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS the plaintiff herein by his attorneys on the 10th day of February, 1936, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 11th day of February, 1936, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 10th day of February, 1936, Manuel Ner Panganiban filed an affidavit to the effect that the defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 11th day of February, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the Defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 2nd day of March, 1936, the day for the last publication of the Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT

MILTON J. HELMICK,
Judge.
United States Court for China.

THE TANAKA MEMORIAL

Much debated secret document outlining Japan's imperial policy of conquest—supposedly presented to the Emperor of Japan by Premier Tanaka on July 25, 1927.

Although officially repudiated, Japan has nevertheless followed the Memorial's recommendations since 1931.

Preparing for War with U. S. A.?

The Tanaka Memorial should be read by all students of the Far Eastern Question. Send for a copy, the price is only 10-cents, with an additional 5-cents for postage.

Address orders to

THE CHINA WEEKLY REVIEW
160 Avenue Edward VII
Shanghai.

Men and Events

J. L. Holbrook, formerly connected with the staff of the Foreign Y.M.C.A., has been appointed secretary and manager of the American Club in Shanghai.

Paul Emile Naggiar, newly appointed French Ambassador to China, departed from Prague, Mar. 1 for Paris, whence he will start to take up his duties in Peiping.

Warner Oland ("Charlie Chan" of the movies) is due in Shanghai this month. One of his pictures "Charlie Chan in Shanghai" will be shown here during his stay.

Sir Frederick Maze, Inspector General of Customs, who had been on an inspection trip to South China, and also visited Manila, is due back here beginning of next week.

J. V. Crowe, Manager in China for Ford Motor, Exports, Inc., has departed on a trip to the Philippines, Indo-China and South China. He will be absent from China for two or three months.

Mr. and Mrs. Frank Drake and daughter Dorris returned to Shanghai this week after a trip of several months around the world, including visits with friends in Germany and Great Britain and relatives in New Jersey.

Admiral Nagano, Matsuzo Nagai, Kiyoshi Yamagata, Shunichi Kase, and Taro Terasaki, members of the Japanese delegation to the London Naval Conference, passed through Shanghai Mar. 2 on their return to Japan.

Forty-six persons were killed or seriously wounded as a result of an earthquake which rocked Kanglo in Kansu province last week. Altogether 1,135 houses were stated to have collapsed and a large number of live stock perished.

F. C. Fette, prominent Peiping rug merchant, after visiting Shanghai for several days, returned to North China end of last week. Mrs. Fette came to Shanghai with her husband and sailed for a visit to the United States.

Tseu Vung-shu was charged in the First Special District Court this week with defrauding the Standard Vacuum Oil Co. of over $20,548 by falsification of delivery orders, receipts and verification orders. At the conclusion of the hearing a remand was ordered.

The Ministry of Foreign Affairs March 1 appointed Wu Ai-chen, formerly Special Commissioner of Foreign Affairs for Sinkiang, as Consul-General for Blagovestchensk, Soviet Russia, in succession to Chang Yen-hsi, who was recently recalled for service in China.

P. A. Bryan, special representative in China for Goodyear Tire and Rubber Company, is planning to return to the United States shortly where he will be connected with the head office at Akron, Ohio. Mr. and Mrs. Bryan have resided in Shanghai for several years.

Recent advices from Hongkong stated that Mrs. Margaret Sanger, noted birth control advocate, was taken ill Feb. 20 and as a result cancelled all lecture engagements in the southern port. Having recovered somewhat, she is expected to arrive in Shanghai early next week.

The death occurred in New York, Mar. 1, at the age of 43, of Camille Lemercier, general manager of the North American branch of the *Havas* News Agency. He was well known both in America and in Europe as a brilliant journalist and an authority on political questions.

A strike of 1,500 workers in the Foong Hsin Tobacco Factory, Shanghai, which for a time developed to serious proportions, when the strikers tried to destroy a portion of the fence around the factory, came to an end Feb. 27 as a result of the mediation of the local Kuomintang authorities.

The Ministry of Railways Feb. 27 ordered the abolition of all Native Products Exhibitions held by the various railways as well as the Preparatory Bureaus therefor. Unfinished work in connection with the exhibitions and preparatory bureaus is to be handed over to the Traffic Department of the Ministry, the order stated.

On March 1 Chicago went on Eastern Standard time, the same as New York City; previously it had been on Central Time—which meant that when it was midnight in New York it was 11 p.m. on the same day in Chicago. Midnight in New York (or in Chicago under the new system) means 1 p.m. on the succeeding day in Shanghai.

The death occurred in Florida (U.S.A.) at the age of 71 of Commissioner Charles Henry Jeffries, a Salvation Army pioneer, who in addition to other activities, introduced the Salvation Army into China in 1917. Previously he had served in Australia and Great Britain. He was on a vacation in the United States at the time of his death.

A National North-western University is to be established at Sian, provincial capital of Shensi, a recent message from Nanking stated. Preparations are being made by the Ministry of Education in conjunction with the Preparatory Office for the establishment of the North-western Agriculture and Afforestation College and the North-eastern University.

Martin Hayden, member of the staff of *The Detroit News* was in Shanghai for a few hours this week on his way to the Philippines and South China. He will later return to Shanghai for a trip through the Yangtsze Valley and North China. Mr. Hayden is a son of Jay G. Hayden, well known Washington correspondent of the *Detroit News*. Mr. Hayden was a passenger on the *President Pershing*.

The death occurred in Shanghai Feb. 29 of G. Yamada, publisher of the *Shanghai* magazine, China's only Japanese monthly.

F. Russell Endahl, new American Vice-Consul, arrived in Shanghai from the United States this week and assumed his duties.

John Earl Baker, Viec-Chairman of the Shanghai Central Committee of the China International Famine Relief Commission, delived a lecture on "China's Sorrow—Can the Yellow River be Controlled?" at the Foreign Y.M.C.A. in Shanghai Mar. 3.

Mr. Guenther, German manager of the Chee Hsin Pottery, at Tongshan, committed suicide last week in the mining city, reportedly on account of business depression. The deceased was over 60 years of age. His remains were brought to Tientsin Mar. 2.

At a meeting of the League Committee for technical co-operation with China in Geneva, Mar. 3, it was decided, after a discussion, to adopt Victor Hoo's proposal that surplus League funds for co-operation with China should be devoted to expenses of sending Chinese students to Europe.

Nelson T. Johnson, the American Ambassador, called on General Chang Chun, Minister of Foreign Affairs, at the Foreign Ministry in Nanking Mar. 2, when views were exchanged on the diplomatic issues affecting the two countries in the course of the interview. He is due in Shanghai Mar. 8.

Loh Pa-hong, Shanghai industrialist and social welfare worker was named Mar. 2, Papal Chamberlain of the Cape and Sword by the Vatican. Mr. Loh is chairman for China of the Catholic Action and the Roman Catholic Child Welfare Movement. He is the first non-Caucasian member of the Papal Court.

A *Kuo Min* message from Hsuchow Mar. 3 stated that three Japanese gunboats entered Lienyunkiang harbor, the eastern terminus of the Lunghai Railway, the previous day. A number of Japanese sailors landed for sight-seeking purposes. The ships departed north-eastwards in the afternoon.

A recent message from Tientsin to the *Sin Wen Pao* stated that the new regime in East Hopei has ordered the peasants not to plant any kaoliang (a plant similar to sorghum) along the Peiping-Liaoning Railway, the inference being that this order has been given so as to prevent volunteers (or bandits) from finding hiding places along the line.

Vilas Osatnanda, Siamese Trade Commissioner, who arrived in Nanking from Hongkong Mar. 2 stated that the present Chinese boycott on Siamese rice is not only harmful to both countries, but also unfavorably affects Chinese in Siam in particular, because many Chinese residents there cultivate rice and own most of the rice mills.

Stanley Keyse, formerly a sub-inspector in the Shanghai Municipal Police, was reported missing when the mv. *Chichibu Maru* when it docked at San Francisco, Feb. 28. Officials of the liner stated that Keyse, who was on his way to London, appeared to be depressed for several days before he disappeared. The deceased left no farewell note.

Clair E. Turner, Professor of Biology and Public Health at the Massachusetts Institute of Technology, is a visitor to Shanghai. He will remain in China for some time to consult Government officials in regard to important problems facing this country in this field of endeavor. He came here after visiting various cities in Europe, the Near East and India.

Mrs. Louis D. Froelick, wife of the founder of *Asia* Magazine, was a visitor to Shanghai for several days this week, and later proceeded to North China. She came to China by way of South Africa, making most of the trip on freighters. After about a month in China, she will proceed to Japan, being due to sail from Yokohama on April 11 for the United States.

George Campbell, for many years connected with outport branches of Standard-Vacuum Oil Company, chiefly at Tientsin and elsewhere in North China, has been transferred to the head office in Shanghai where he will be located in future. Mrs. Campbell and their three sons who have been in America on a visit are arriving in Shanghai shortly to join Mr. Campbell.

The Sincere Company, one the largest department chain-stores in China with its head office in Hongkong and with a large store in Nanking road, Shanghai, is issuing debentures for $2,000,000, according to reports in local commercial circles. The debentures are to bear an interest of 12 per cent per annum. The company has a fully subscribed capital of $10,000,000 Hongkong currency.

Creditors of the San Francisco branch of the Bank of Canton, which suspended business last September, were scheduled to be paid in full this week, according to an announcement made by F. W. Richardson, State Banking Commissioner, March 1. Payments were to be made through the American Trust Company, including interest on deposits from Sept. 4, 1935, to March 4, 1936.

James H. Furay, Vice-President of the *United Press* Associations, who has been traveling in the Far East for several weeks and spent several days in Shanghai and Nanking last week, was entertained at dinner at the Park Hotel on the evening of Feb. 29 by Hollington K. Tong and on Monday evening, March 2 was the guest of honor at a dinner given by the Chinese Press Association at the Hung Far Lou restaurant on Foochow Road. Mr. Furay was accompanied on the trip to Nanking by John Morris, Far Eastern Manager, who has just returned to Shanghai from a business trip to Singapore.

China, with only about 200 motion-picture houses throughout the country, spends $20,000,000 annually for this entertainment, Dr. Wei Hsieh-ren, Dean of the College of Science, University of Nanking, and Director of the Instructional Movie Department of the National Educational Cinematographic Society of China, told members of the Nanking Rotary Club at a recent meeting.

The unusual spectacle was witnessed at Taku this week of ships locked up in an ice-field drifting out to sea and for several days they could not be located. Some of the ships were short of provisions and the efforts made to locate then had as one of the objects the supplying of same, in the first instance by airplane—and this was later accomplished Losses to shippers and transportation companies through the suspension of traffic because of the blocking by ice of the ports of Chinwangtao. Tangku, Tientsin, Chefoo and Weihaiwei, are estimated at ten million dollars.

Marine Warrant Officer's Conduct to Be Investigated

James Fontaine, a warrant officer in the U. S. Marine Corps, and two women were found in a room at the new Asia Hotel in Shanghai March 5 in an unconscious state, the indications being from letters in Russian and English found on the premises, that the three had intended to commit suicide by taking veronal. The man in the case, and one woman, had engaged a room three days earlier. The second woman joined the couple later. The three were taken to the General Hospital, where they are stated to be recovering. The incident will be investigated by Capt. R. A. Boone, intelligence officer.

Greater Shanghai Municipality Formally Opens Four Model Villages

The four "model villages" for the Chinese laboring classes built by the Municipality of Greater Shanghai took place Feb. 29, Mayor Wu Teh-chen presiding. The ceremony took place in the assembly hall of the Chingshan Road villa, more than 100 guests from various walks of life being in attendance. About a thousand tenants of the new villages were lined up outside the building during the ceremony. In the course of a speech Mayor Wu stated that the construction of the model villages, marks the beginning of a program for lessening the financial burden of the poor. Other welfare projects are to be launched in the future. Besides the one at Chungshan Road, the other three villages are situated at Chimei Road, Tamuchkiao Road and Pushan Road, all features of the villages being practically similar. Regularly arranged in rows, the village houses consist of sitting rooms, bedrooms, attic storerooms, kitchens, and equipped with electricity and running water. Besides each village is served with a public social hall, public baths, public schools, co-operative store, a recreation center, and supervised by a well-trained social worker as director.

GIVE YOUR BLOOD
MORE IRON!

Vitality and health largely depend upon the amount of iron in your blood. If your blood hasn't enough iron you will be easily tired....listless....have no "pep." And until you give your blood more iron, your condition cannot become better.

To get back your "pep" and strength, make up the shortage of iron in your blood by taking Dr. Williams' Pink Pills, the old, reliable iron tonic. This remedy contains iron in a form which is readily assimilated and quickly absorbed into the blood.

Day by day as Dr. Williams' Pink Pills add more iron to the blood so day by day you feel its increasing benefit. Vitality and "pep" return, minor ailments disap ear and joyous health and strength are established. Start this helpful treatment now. Of all chemists.

DR. WILLIAMS' PINK PILLS ENRICH YOUR BLOOD WITH IRON

In the United States Court for China

In re.
Estate of
J. M. HERRMANN
Deceased

Cause No. 4019
Special Proceedings
No. 1051
NOTICE
Filed at Shanghai, China,
February 11, 1936
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of J. M. HERRMANN, deceased, to present the same with vouchers to the undersigned on or before September 7, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

ROY G. ALLMAN,
Hamilton House,
Shanghai.

Shanghai, China.
February 11, 1936.

In the United States Court for China

In re. Estate
of
LEONARD BUCHANAN
Deceased.

Cause No. 4030
Special Proceedings
No. 1054
NOTICE
Filed at Shanghai, China,
February 25, 1936
William T. Collins, Clerk.
by L. T. Kenake, Asst.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of LEONARD BUCHANAN, deceased, to present the same with vouchers to the undersigned on or before August 1st, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

JAMES B. DAVIES,
c/o Schuhl, Davies & N. E. Lurton,
330 Szechuen Road,
Shanghai.

Shanghai, China.

In the United States Court for China

ELISHA W. JOHNSON, Plaintiff,
vs.
BEATRICE ELENORA TRENT JOHNSON, Defendant.

Cause No. 3953
Civil No. 1872
ORDER
Filed at Shanghai, China, this 4 day of March, 1936.
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS Plaintiff herein by his attorneys, on the 4th day of March, 1936 made application for the substitution of publication for personal service of summons upon the Defendant herein; and

WHEREAS it appears from the files of this case that on the 3rd day of March, 1936, the summons for the Defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 14th day of September, 1935, Elisha W. Johnson, the Plaintiff herein, filed an affidavit to the effect that the Defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 4th day of March, 1936, ORDERED that service upon the Defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the Defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 21st day of March, 1936, the day of the last publication of the Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT.

MILTON J. HELMICK,
Judge,
United States Court for China.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, March 4, 1936

Demand selling rate on America:	U.S.$1.00=Sh. $ 3.36
Demand buying rate on America:	U.S.$1.00=Sh. $ 3.31
Demand selling rate on London:	£1.0.0=Sh. $16.80
Demand buying rate on London:	£1.0.0=Sh. $16.55

New Books of Interest in the Far East

An Intimate Biography of a Great Japanese Painter

Hokusai by Gustav Eckstein, 8vo., 191 pp., illus. with drawings by Hokusai, New York: Harper and Bros. U.S.$2.50.

In this delightful volume Gustav Eckstein has given us the biography of Hokusai, one of Japan's greatest painters and print makers—not a formal biography with dates and facts, but in the form of a drama, the fourteen scenes of which throw high lights on the important events of his life. We see him first as a twelve-year old boy, begging his artisan father (mirror-maker to the Shogun) to let him be an artist; at seventeen years he meets the great artist, Shunsho, and is adopted by him; at twenty-five, he marries the gentle and industrious Mitzu and soon after is disowned by Shunsho because his originality will not bend to the dictates of any master; at twenty-six he receives his first commission from a samurai; at thirty-two comes his first order from a foreigner, the captain of a Dutch ship, who pays him well; at forty occurs his romance with the lovely geisha, Murako, who serves as model for his beautiful and idyllic women; at fifty-one occurs the death of his devoted wife, the divorce of his eldest daughter (whose black-sheep, spend-thrift son was Hokusai's life-long curse), and the marriage of his younger and favorite daughter, Oyei; at fifty-one he is summoned to draw for the Shogun who postpones his departure for the hunt to watch Hokusai work; at sixty we find him exiled from his beloved Yedo to the suburban Uraga because of his inability to pay all the mounting debts of his scape-grace grandson; at seventy-five, his younger daughter, Oyei, is divorced, comes to live with him again and becomes herself a talented artist whose companionship and appreciation was a great joy to him; at eighty a great fire burns a whole district of Yedo, including Hokusai's house, with the accumulated drawings of a life-time —a great blow; at eighty-nine, after a long life of poverty and incessant labor, he dies, regretting that "he cannot have ten years more to work."

Not only does Eckstein bring out the salient facts of Hokusai's life, but also the characteristics of his genius—his realism, his vigor, the originality which freed him from the fetters of tradition and made him draw according to the dictates of his own heart, and the fertile imagination which projected his own genius into every subject he depicted. Fifteen volumes of sketches which were, fortunately, left after his death, have proved an endless encyclopedia of design for the artisans of Japan.

Eckstein has put the fourteen scenes of his drama together with a scholarly knowledge of the old feudalistic life and customs of Japan. The author has made the most of the few meagre facts known of the artist's life to bring out the very essence of his overwhelming personality, his tireless industry and fecundity. In these pages the figure of Hokusai stands out with clear simplicity —always the artist and realist who translated the world according to his own vigorous and self-confident fancy. Whether he followed the traditions of the aristocratic Kano school of painting; or borrowed from the art of China; or created his incomparable wood-block prints; or sketched his masterly, abrupt, sure brush work; his subjects always proved masterpieces of their kind.

M. W.

Babson on America's Economic Dilemma

The New Dilemma, by Roger W. Babson. Fleming H. Revell Company, New York, 1934. 224 pages, with Babsonchart. U.S.$2.00

Roger W. Babson is internationally known as an authority on business and finance. He writes in a popular, forceful manner and appeals to the common sense of his readers. The New Dilemma his most recent book, concerns itself with the Government's New Deal in the United States. His apology for this volume is as follows,—"Briefly, my criticism is due to the fact that although re-employment is now ninety per cent a business problem, yet thus far the Administration is turning the problem over to college professors, welfare workers and others who have never had business experience. Even when these advisors are well-to-do people, the facts show that, usually, they inherited their money. Why the Administration attempts to get the unemployed back to work by taking the advice of these inexperienced and non-trusted persons beyond my comprehension."

In the introduction the author avers his regard for Franklin D. Roosevelt and his Cabinet, many of whom are his friends. Five chapters follow and each is divided into cleverly-captioned sections. His arguments are here clearly presented in short, pithy sentences with a vocabulary so simple that at times it descends to the level of slang expressions. When we find sentences such as the following we know exactly what the author means: "Monetary inflation, which includes the issuing of printing press currency, is very dangerous. It is simply an attempt on the part of the Government to falsify the books in order to cover up loss and deficit. It is like daylight saving which does not make any more sunshine during the twenty-four hours, but merely kids the people."

Mr. Babson lays emphasis on three main issues. These are The Dangers of Bureaucracy, Race Betterment (in which he gives

a large place to character building), and the formation of a Coalition Government as a way out of present trouble. He first discusses the excesses of 1919-1929 and names them as dishonesty, inefficiency, speculation, waste, corporate debt and private degradation. The situation has only been made worse by New Dealers who met it by repudiation contracts, wasting public funds "like drunken sailors" substituting horse-races for ticker-tapes, giving the nation rum and whiskey, getting deeper into debt than ever. Capitalism today is down and *Capitolism* is riding for a fall. In the face of these conditions what is a good investment? This is Mr. Babson's answer,—"The real test of our wealth, therefore, is how we would get on if all our mortgages, stocks, bonds, bank accounts and insurance policies were wiped out. Have we ourselves, the character, health and ability to start over again and earn an honest living? Have we children or grandchildren who, without any help from us or our securities, possess the character, health and ability to support us? If so, we are safe;—but not otherwise. This means that the real test of our wealth is the number of our children and grandchildren who are God-fearing, healthy and well educated. Of course, we may be allowed to own a small home or farm, a library or a workshop; but only to the extent that the forgotten man owns one also!"

The N.R.A. as a voluntary pact is discussed and the Quota Plan for industry is recommended. The great need is for character of sterling worth in citizenship. The first chapter closes on this note,—"I am certain that capitalism will be given another chance to show that it can develop a greater degree of social responsibility. We shall abandon the present paternalism of *capitolism* which is fundamentally foreign to American character. In its place we shall again get capitalism in a newer and better form."

The second chapter concerns various "isms." Capitalism is defined as Rugged Individualism. Socialism is a pacific, legal taking over by the Government of a nation's industries; Communism is a similar taking-over, but by force with military backing. To have good results in any change it must be grounded upon changes in the heart and character of citizens. "The core of fascism is the supremacy of the unified state, in which no opposition is permitted to live . . . Fascism is enforced Capitalism."

There is then a lengthy discussion of the New Deal, its faults and virtues, weaknesses and strength. A chapter is devoted to theory and practice as viewed in the so-termed "Alphabet Miscellany" of the present U.S. Government. The last chapter is entitled "Whither are We Going?" It presents a study of past depression periods. There is a strong plea for race betterment in which the Christian ideal is upheld. "The real index of a nation is the character, health, and intelligence of the average man . . Our nation must become biologically conscious . . . The simplest way to restrict propagation by the unfit would be to give relief to those listed as *Liabilities* only so long as they refrain from having children."

The volume ends with a plea for a coalition government. The author thinks that this plan, which has helped England, should be tried in the United States. The following forecast closes the book,—"Although our economic problems could be solved by the exercise of industry, self-control, and common honesty, yet people are too impatient to wait for these natural laws to work. Voters want some quick remedy. Hence, this quick remedy will be found in some form of a Coalition Government for an emergency period of four years."

The Babsonchart of Business Conditions presents much vital material in a condensed and well-planned graph.

G. B. S.

Books on "Basic English"

The A. B. C. of Basic English; *the Basic Dictionary and Basic Words*. *Both books by C. K. Ogden*. Published under the authority of the Orthological Institute of China, 7 Hsien Hsiao P'ai Hutung, *of the Orthological Institute of China, 7 Hsien Hsiao P'ai Hutung, Peking, and distributed by the Chung Hwa Book Co., Shanghai.*

The first-mentioned of these two books sells for the modest sum of 40 cents and the the other for fifty cents. As their names indicate they are devoted to "Basic English," a system of learning the English language based on the 850 most used words. Unlike many other language methods this one is based on the idea of using a minimum number of verbs, and these of the simplest character. The words are divided into groups, as follows: Operations, etc., 100; General things, 400; picturable things, 200; general qualities, 100; opposites, 50. The pronunciation of the words is taught with the aid of gramaphone records.

M. Padoux Issues Supplement to Translations of Chinese Laws

The list of English and French translations of Modern Chinese Laws and Regulations (supplement) complied by G. Padoux, legal adviser to the Nanking Government, originally published in the Chinese Social and Political Science Review, has been reprinted in brochure form. As is explained by the author in an introductory note this is a tentative list of the documents which have been published from time to time in English and French as translations of Chinese modern laws or regulations.

By "Chinese modern laws" (the author explains) are meant the laws which have been passed since the time when the Chinese

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Government decided to have its legislation framed and written in accordance with western legal standards. The first of these laws were enacted during the last years of the dynasty. Many of the laws and regulations listed in the index are no more in force and have only an historical interest. Five hundred and fifty-three documents and listed in the brochure.

Currency Reserve Board Reprints Monetary Decrees in Brochure Form

The Currency Reserve Board, under date of Shanghai, Jan. 15, issued a brochure entitled "The New Monetary Policy of China"—a collation of the various statements and decrees issued on Nov. 3 last year (and since) in connection with China's monetary reforms. Summarized translations of the statements and decrees contained in the brochure were printed in *The Review* at the time they were issued.

The preface to the brochure says:—"This booklet contains the English translations of important documents relating to the monetary reform adopted on November 3, 1935, namely, the statements issued by His Excellency Dr. H. H. Kung, Minister of Finance, on November 3, 1935; the the decree of November 3, 1935; and regulations issued in pursuance thereof. Every effort has been made to give in English the correct sense of the Chinese texts, but only the latter are authoritative."

Current Number of "Pacific Affairs" Contains Articles of Importance to China

Several of the major articles in the current number of *Pacific Affairs* (Shanghai Office, 123 Boulevard de Montigny) concern subjects of special importance to China.

Sir Frederick Whyte, K.C., in the leading article on "The Institute of Pacific Relations and the Crisis in the Far East," states that from the beginning of its work that Institute has found in China and its reconstruction the greatest problem but also the greatest incentive to study and research. The greatest threat to peace, Sir Frederick finds, lies in Japan—and this largely because of the failure of other Powers to relieve that pressure of Japan's internal needs, which was bound to find a vent somewhere. It is not too late, he thinks, to devise means by which Japanese energies can be released which now find on the Asiatic continent so highly dangerous a field of action—dangerous not only to China but also to the world at large and to Japan itself. Eventually, he predicts, Japan cannot find solutions for its problems by its own efforts alone against the world; but in so far as the cause lies in defective policies and methods of international trade, the correction of their inequalities is the only way to a balance of interests likely to last.

A highly favorable account of the most important of recent reforms in China is given also in an article on "Chinese Currency Policy" by A. B. Lewis, Professor of Economics at the University of Nanking. Although this article was, presumably, written several month ago, the writer foresaw the success which was to attend the stabilization of the currency, first in relation to prices, and then in relation to sterling.

M. H. van der Valk, a Netherlands official who has resided for some time in China, contributes a critical review of "The New Chinese Criminal Code." In non-technical language, the article discusses more especially the present law in relation to matters of general social concern, such as drug addiction, lunacy, offences against good morals, marital status and responsibility, juvenile crime. The treatment of the last named the author finds much improved, but he regrets that so far the legal reform has not been followed up by the provision of reformatories.

One of China's neglected industries is discussed by A. H. Rasmussen in an article on "The Wool Trade of North China."

Among other articles in this number of *Pacific Affairs* are a timely discussion of "Mongolia, Target or Screen," by Gen. Victor A. Yakhontoff, a bibliographical article on the "Record of the First Manchu Emperor," discussions of Fascism and of national planning, a Chinese historian's examination of Theodore Roosevelt's attitude to Japan's socalled "Monroe Doctrine," an account of the recent French Imperial Conference—incidentally commenting on trade with China, and so forth.

Chemistry Experiments for Middle School Pupils

Class Experiments in Practical Chemistry. Complied by R. D. Keen, B. Sc., Shanghai: The University Press, 1936.

This little text-book is for the use of middle school pupils. The experiments cover various acids, bases and salts, chalk, lime, carbon dioxide, sulphur, etc. It is exceptionally well designed and printed, and handy in form.

Italian Roman Catholic Missionary Issues Brochure on Climate of Shensi Province

A 70-page brochure on the Climate of Shensi Province has been issued in the Italian language by P. Amedeo Cracco, a Roman Catholic missionary stationed at Kaoling, Tungyuanfang, in said province. In addition to carefully prepared notes on the climate there is a brief summary of the physcial geography of the province, including details of the flora and fauna.

On the Student Front in Peiping

BY A CORRESPONDENT IN PEIPING

The present student movement began with a rather pathetic appeal to the Kuomintang on November 1 by eleven Peiping and Tientsin schools for the rights of free speech and press and protection against the illegal arrest of students, followed by the defiant organization of student government organizations in nearly all the schools, banding together in the Peiping-and-Tientsin Students' Union in order to start an anti-Japanese campaign during the present crisis in the North. The Students' Federation (begun in 1919) was dissolved in 1932 by the government, and none but routine organizations were allowed to be formed in the schools. Even these had to be registered in detail with the *tangpu*, and most of the schools, except the mission-protected private university, did not even have the regular student body associations, much less any political activity.

The reply to the students attempt to revive the movement has come with crushing finality in the arrests, night-raids, secret plainclothes' kidnappings, besieging of school dormitories, and re-outlawing of all attempts at independent student activity during the past week in Peiping, as a result of the order given by the Executive Yuan to the Ministry of Education "to prohibit the activities of the Peiping-and-Tientsin Students' Union on the ground that the Union is dominated by a few agitators secretly plotting student disturbances," following on the publication of the Emergency Measures on February 20, recommending punishment in accordance with the Emergency Law—by which Communism is liable to capital punishment. Chen Hsi-wen, head of the local Bureau of Public Safety, has declared that the police "in the absence of special orders from the Central Government, have made no serious efforts at suppression" previously, but that "Now, however, since the Nanking authorities realize that the patrotic movement here is being utilized by Communists, Social Democrats and others, and have issued orders to suppress it, we will follow those orders implicitly, using whatever force is necessary." He also stated that the Union, having never applied to the police for registration, is an "illegal organization." The Chinese papers on February 23, according to *Reuter's*, carried the report that the Kwantung Army had wired Mr. Takaura, head of the Japanese consular police in Peiping, to investigate the student troubles and the activities of Communist agitators, and that he had called upon the Mayor and Director of the Bureau of Public Safety offering to cooperate in the suppression of "Communists" in Peiping—both refusing to accept this kind offer, however.

The Resort to Force

On February 24 Dr. Wang Shih-chieh, Minister of Education, declared that "if necessary, the Ministry will not hesitate to resort to the extreme action of dissolving the schools concerned," and the "Ministry had been paying close attention to the student disturbances in Peiping, Hankow and Tientsin and that the Educational authorities had already been instructed to take drastic action against the ringleaders of such movements. Word having been received that the leaders are to be sent to Nanking "for questioning," a wave of terror has spread over the whole studentworld, as such prisoners are frequently never heard from again by their fellow-students. The students are intensely bitter at the suppression of the patriotic movement in the present crisis, especially by such a transparent device as arresting all the leaders as "Communists." Their only comforting thought, they declare grimly, is that the political prisons are already so full of students now that there will hardly be room for many more.

After the Peiping-and-Tientsin Students' Union's propagandist army to the Hopei countryside had been captured and forced to return in the middle of January by police sent from Peiping, there was a period of quiet. Although none of their demands had been even acknowledged, on January 20 the Union ordered the strike begun on December 10 closed and that students should return to classes at the beginning of the new semester on February 1, asking only that the faculties cooperate with the students by introducing "emergency education" instead of the usual academic routine. Registration and regular schoolwork was resumed with normal attendance the first week in February, pending an agreement on this issue—shortly to be broken up by incidents at Peiyang and Tungpei.

The difficulties with Nanking began when Marshal Chiang Kai-Shek called a conference of school authorities and students on January 15. Student body meetings were called to discuss this and practically every school voted against sending delegates and to "apply proper sanctions" against any student who dared defy the will of the majority. For this reason the names of the delegates appointed by the school authorities were kept secret from the student bodies. The Student Governments published advertisements repudiating the delegates sent from Peiping and Tientsin, and the Union issued a long manifesto stating that the conference was regarded as a device to disperse the movement and bring it under strict military control. On January 18 the Nanking delegates issued a manifesto demanding the "immediate suppression of student strikes and any other student activities tending to upset school discipline." Student periodicals declared that the conference results were not made open to the public and that a uniform program of suppression was agreed upon among the authorities, as well as averring dissatisfaction with the declaration of the Government's policy. They were allegedly incensed when told at Nanking they should follow the principles of the New Life Movement and cultivate the basic standards of *Li, Yi, Lien* and *Ch'ih* (politeness, faithfulness, frugality and integrity), discipline and responsibility—which the students, many of where are anti-Confucianist, regarded as impractical for Chinese youth, in the present crisis.

On February 1 orders to all schools in the country from the Ministry of Education were published, setting forth three points for school executives to follow:

"1. No academic credits should be given to those students who do not attend their ecurses and take their examinations.

"2. Those students who upset the order and discipline of their schools should be expelled.

"3. No student organizations which aim at creating disturbances should be allowed to be formed either inside or outside campuses."

The orders further "request all civil and military government organs to help in banning the activities of obnoxious student organizations so as to maintain the vitality of the educational system."

At one o'clock at night on February 1 a hundred or so armed police with a list of 30 student leaders searched the Peiyang University dormitories in Tientsin and arrested 20 students after a fracas in the snow with their comrades who demanded that all or none should be taken. It was revealed that the students had taken "sanctions" against the Nanking delegates appointed by the Chancellor and burned their bedding. The student body promptly demanded the resignation of Chancellor Li Shu-tien, accusing him of giving the list to the police, and mobbed certain faculty members whom they accused of having led the police in the search of the dormitories and conniving with them to suppress the movement. "Scores" were reported injured and two members of the faculty went to the hospital for safety as well as suffering "severe injury." The Peiyang students then picketed the campus and installed electric alarms against further surprise attacks. Classes were suspended until February 24 during negotiations over this incident, when the students were persuaded to withdraw the demand for the Chancellor's resignation after Nanking had sent Sun Kuo-feng to investigate, regarding the incident as a reflection on the dignity of the government.

Agitation both by students and faculty members was in the meantime going on at Tungpei University in Peiping against the removal of the university to Sianfu, aided by the Students' Union, which is active against the removal of any universities to the south and the evacuation of North China without a struggle in the educational field. On February 10, the College of Arts and Law tried to picket the Engineering College students who were leaving by train that morning for Sian, but were dispersed by police.

In their attempt to get rid of all "obnoxious student organizations," middle school authorities forced all their students to sign an oath upon registration that they would not engage in any activities without full permission, and meetings were called in various places to force the student bodies to withdraw from Union membership. Under threats from the authorities, Chih Shen Middle School and one or two other middle schools withdrew without a struggle on the part of those loyal to the Union. But when the Principal of the Hopei Provincial Senior Middle School called a meeting and openly accused all students who refused to leave the Union as Communists thus forcing through a vote to leave the Union, and expelled ten of the student leaders, over one hundred of the student body of 230 indignantly left the school and took refuge in the Peita dormitories. On February 13 they gathered about 300 volunteers from other schools and held a meeting at Fu Jen, voting that the Principal must be punished as "a warning to all who intended to suppress the movement by such shameful tricks." The gates were locked but they climbed over the walls. The Principal Chiao Shih-tsai escaped by hiding in a coffin in a nearby shop, and the students voted to beat the business manager by proxy, who went to a hospital for treatment afterward. They then wrecked some of the offices before the police arrived, and scrambled over the walls to escape. Three students were arrested and held, the insurgents went into hiding and many are unaccounted for, though classes were resumed on the 15th with about half attending. Police then surrounded all middle schools in the city to prevent further troubles.

Efforts to Discredit the Movement

In the meantime small but active blocs of oppositionists to the Peiping Students' Union were coming into the fray in many of the schools. These students tried to get votes passed in mass meetings for withdrawal from the Union, but in every case were voted down by large majorities. They tried to discredit the student government officers in various ways, and declared that the Union was a dictatorship, in addition to being "illegal" as it did not have the sanction of the police. A real war developed, the conflict being hottest at Tsinghua, which is the headquarters of the Oppositionists. Manifestoes and accusations covered the bulletin boards. The Oppositionists called all who supported the Union actively Communists, bandit-remnants, reactionaries and paid-agents of Moscow. The Unionists denied this strenuously, demanded apologies and proofs, and declared that the Opposition were traitors, Fascists spies for the police and authorities and had given them names and addresses of students leaders for arrest, and that they had written slogans such as "Join the Red Army," and other Communist propaganda on the walls in order to discredit the student movement and get all the leaders expelled, kidnapped, or arrested.

At the same time, Prof. Yang Li-k'uei of Shihta University declared that he had strong proofs that the Union was "dominated by Communists" and had received $20,000 from the Communist Party, but refused to produce proofs except if sued in open court and an advertisement war in the local papers between Prof. Yang and the Union was begun. The Union gave him an ultimatum on Feb. 17 that if he did not either retract his charges or produce proof of his allegations within 24 hours they would take "independent action" against him. Prof. Yang replied by advertisement on the 18th that he would "admit that he lied and appologize for spreading a mere rumor" and resign his position if the Union would publish advertisements in the newspapers, together with forcing all student associations in the city to put up official posters with five slogans denouncing the "ten-thousand evil Communist Party" and the "Social Democrats who hide under the skirts of the Communist Party." It was soon discovered that Prof. Yang was somewhat of an exhibitionist at well as being a close candidate for the post of head of General Sung's new Special Education Committee, although he denies having accepted this position yet.

At Yenching and Tsinghua, in the middle of February an attempt was made to get the school administration to cooperate with the student movement to the extent of giving permission to forego the semi-annual examinations scheduled for Feb. 24, one month delayed due to the patriotic movement. The Peita Chancellor had previously in January voluntarily cancelled these and postponed them for a general examination at the end of the year in the spring. At Yenching 178 students signed a petition asking for this permission, feeling that they could not pass examinations after being out of school since December 10 and that it was silly to force them to cram. (The archaic examination system in the Chinese schools is almost as strenuous as that of the old Hanlin Academy). After much debate it was made clear that the Seniors could get graduating credits without passing the examinations under the present regulations, so after an intensive week of discussion, the rest of the students agreed to support the Seniors and examinations were held with no more ado, only 146 dissenting in the final vote.

At Tsinghua when the agitation began members of the National Salvation Association, which is the active department under the Students' Self-Government Association concerned with organizing propaganda work, were most active in opposing the examination. On Feb. 19 the faculty met to discuss the question, and during the discussion about 300 students organized a demonstration parade around the campus marching in front of the Science Hall where the teachers were convening and waiting to hear the results. When the meeting was over and a negative decision was reported, the demonstration sent delegates inside to urge a reconsideration of the question, which the faculty refused. Thereupon, the whole demonstration marched into the hall and began to argue with individual teachers, though no violence was reported. In consequence of this and thinking they would be unable to enforce the decision, 68 of the 74 faculty members wired their resignation to Nanking *en bloc*, stating to the press that as the Government had ordered strict observance of the examination they could not alter their decision. Classwork was suspended for a few days but the issue was finally settled by the Chancellor on February, 25 when eleven members of the National Salvation Association were given two

grand demerits each for organizing the opposition to the examinations.

Secret arrests having occurred regularly during the past few weeks and as the delegates to Nanking were most active in leading the Opposition to break down the Students' Union, bitter feeling was engendered toward them among the student bodies, as it was generally believed that many of their members were giving information to the police. On February 15 several universities held mass meetings and voted to punish the Nanking delegates as "traitors" to the movement. The Oppositionists became alarmed and demanded protection from the authorities, as there were only 1 to 20 of them in most of the schools. It was reported in the press that they went about armed with iron clubs and bars to protect themselves. On February 18, the Student Government of Peita called a mass meeting at which Prof. Yang was strongly denounced and it was voted to expel Yang Hsi-kun and Li Shou-chuan, the two Peita delegates to Nanking, and also a girl-student reported to be the wife of one of the delegates, who had likewise been very active against the Student Government, and also to issue a telegram to the universities throughout the country urging them not to admit the two "traitors," as well as to publish their pictures in the student paper. After the meeting the students marched to the rooms of the two delegates, damaged their belongings and dumped them outside the dormitory. The Chancellor later called a student meeting and "with tears in his eyes" it was reported, begged that the students permit the two delegates to remain in the school—and the forcible expulsion did not take place.

On the same day Shihta students voted to expel the four delegates from there: Whan Fu-tseng, Chang Kwang-tao, Chang Chow-hsun and Sung Keng, but did not disturb their rooms.

That night police raided the dormitories of these two universities and arrested about twenty students, and on the 21st the wire was received from Nanking ordering the drastic suppression of the Union.

On the 22nd hundreds of police were mobilized to begin the campaign against the Union, dormitories were searched and "reactionary propaganda" reported to be seized. After a day's seige at Chungkuo College, where the police evidently thought a Union meeting was occurring, about 100 students were reported to have been arrested—six van-loads of boys and two of girls. Twenty were arrested at Chungshan Higher and Lower Middle Schools, and raiding Tungpei University at dawn, 43 were arrested, including two girls, after a seige of eleven hours.

Other schools were searched but no general arrests reported and it is assumed that most of the leaders escaped in one way or another. The students were particularly infuriated at the arrests as the police were provided with long lists of names and particulars, and even had photographs of those wanted—which were thought to have been taken from the Registrar's office as photographs are part of the registration papers. It is impossible to get any reasonable idea of the number arrested as many have gone into hiding, after scrambling over the walls to escape, but it is generally though that perhaps 200 are being held, the police refusing to give out any information beyond stating that a "number of reactionary elements" had been seized. Many were reported to have been badly beaten as they resisted arrest.

Nanking Orders Suppression of Union

The future does not look peaceable. It is doubtful if the student bodies will remain quiescent after this open attack. The Students' Union has the strong mass support of sixty schools in Peiping and some 28 in Tientsin, as well as connections in Tongshan, Tsinan, Kaifeng, Hsuchow, Changchiakou, Taiyuanfu, and even in Canton, and about 20 members in Shanghai and ten in Nanking, as reported when plans for a National Students' Union were in the air a few weeks ago.

On the 23rd, the day after the arrests, the Tsinghua National Salvation Committee called a mass meeting to determine the strength of its support—this being loyal to the Union. Out of 735 registered at the school, 501 attended. It was unanimously voted to maintain the struggle for freedom to continue patriotic work, to seek protection for students engaged in such work and to keep the Association from being utilized by or destroyed by any party or section, and a vote of 308 to 8 voted that the present patriotic work must be continued, the Student Union's "emergency education" program put into practice, and opposition made to all student groups now trying to split the students along factional lines. On the question of examinations by a vote of 199 to 8 it was decided that if the authorities consented to put the "emergency education" into practice, the examinations might be taken. It was also voted to ask the authorities to dismiss Miss Chi Yun-shou, a leader in the Protective Corps as a spy, because on the 22nd a girl-student had found in one of Miss Chi's books a map of the dormitories and list of 24 girls prominent in the Association. Finally it was voted to ask the Protective Corps to supply the list of 450 members which it had claimed —which evoked much laughter.

This National Salvation School Protective Corps was organized during the examination difficulties by the Oppositionists to the Union, and is said to be made up of eight leaders, 50 active members and 50 additional followers. On February 23 the Corps entertained at an elaborate tiffin for 20 Chinese newspapermen and outlined five points as its platform: Withdrawal of the Tsinghua student body from the Union; opposition to the resignation of the faculty and the "emergency education" advocated by the Union in favor of one which will be drawn up by the authorities; obedient submission to discipline by the school authorities; and abolition of the National Salvation Association as an illegal organization. However, after the threats contained in the votes taken against them by the meeting of the 500 followers of the Salvation Association, it was reported on the 27th that they had "decided to wind up their affairs." (The Secretary of the National Salvation Association is Miss Liu Tsui the redoubtable little Amazon who was the heroine of the two demonstrations).

The 12 members of the National Liberation Association of North China, including that of the Cultural Circles composed of 149 well-known professors and teachers, is expected to support the Student Union strongly, as a member organization.

Peking, February 27.

Doihara—A "Misunderstood" Man

(From the Japan Chronicle)

General Doihara has joined the ranks of the misunderstood. He told *Reuter's* man in Peiping that he is not a firebrand, and not anti-foreign, but is all for peace and progress, and he hopes that people will understand this. Perhaps they will, and perhaps they will not. It is a very widespread belief among newspaper readers that they understand General Doihara quite well, and while the more imperialistically minded of his countrymen approve of his methods there are quiet a number who have misgivings on the subject.

Military Expenses of China Greater Than Customs Revenue

The National Government, Feb. 27 published a general accounts statement of revenue and expenditures for the 22nd fiscal year ending June 30, 1934.

Total revenue for that year was listed at $898,039,196.25 (including a cash balance of $26,691,260.54 brought forward from the previous year) and total expenditures $816,532,171.28.

The statement reveals that the largest item of revenue was from the Customs, namely $337,647,767.21, and the largest item of expenditure was for military uses, namely $361,920,225.68.

Following is the itemized fiscal report:

REVENUE

(A) Taxes			
(1) Customs	$337,647,767.21		
(2) Salt	174,414,230.55		
(3) Wine and Tobacco	12,332,394.25		
(4) Stamp	8,182,864.58		
(5) Consolidated	98,870,926.22		
(6) Mining	2,465,814.05		
(7) Exchange	3,063.45		
(8) Banking	1,526,940.79		
Sub-total		$635,444,001.10	
(B) Non-Taxes		$ 82,916,842.43	
(C) Proceeds from Borrowing:			
(1) Bonds	$ 64,364,606.03		
(2) Loans	79,137,876.11		
		$143,502,482.14	
(D) Custody Funds		$ 4,545,988.32	
(E) Temporary Receipts		$ 5,138,621.72	
(F) Brought Forward		$ 26,491,260.54	
Total		$898,039,196.25	

EXPENDITURES

(A) Party and Government Expenses:			
(1) Party	$ 5,628,800.00		
(2) National Government	16,527,108.06		
(3) Interior	4,389,904.09		
(4) Foreign Affairs	8,091,655.00		
(5) Financial	71,550,125.22		
(6) Education and Culture	13,912,480.19		
(7) Judicial	2,028,663.43		
(8) Industries	4,046,230.09		
(9) Communications	5,732,677.38		
(10) Mongolian and Tibetan	1,617,064.21		
(11) Reconstruction	1,300,725.86		
		$134,825,433.53	
(B) Military Expenses		$361,920,225.68	
(C) Payments in Capital for Government Enterprises		$ 2,645,233.56	
(D) Subsidies:			
(1) Provincial and Local	$ 33,533,151.05		
(2) Educational	8,719,508.19		
(3) For Enterprises	363,204.00		
(4) Others	4,044,451.39		
		$ 46,660,314.63	
(E) Pensions and Compensations		$ 1,636,237.92	
(F) Loans Services:			
(1) Internal loans	$107,093,004.53		
(2) Foreign loans	56,800,319.14		
(3) Boxer Indemnity	38,850,256.32		
(4) Others	18,219,105.55		
		$220,962,685.54	
(G) Advances		$ 18,390,584.98	
(H) Temporary Account		18,256,339.94	
(I) Repayments for Previous Accounts		6,235,115.50	
(J) Debt Readjustment Sinking Fund		5,000,000.00	
Total		$898,039,196.25	

Soviet Editor Deported and Arrested by O.G.P.U. on Border

R. Kolpakchi, editor of the *Novosti Vostoka*, Soviet paper in Harbin, who was arrested by the Japanese military authorities in Harbin early in January, together with a reporter on the paper named A. Pizin, was deported to Siberia several days ago. However, when Mr. Kolpakchi was escorted across the border he was immediately placed under arrest by the Soviet authorities, the reason being, according to reports in Harbin, the fact that Mr. Kolpakchi participated, in 1920-1921, in the revolt of Baron Ungern-Sternberg at Urga. The Soviet paper *Novosti Vostoka* was suppressed by the Japanese at the time of Mr. Kolpakchi's arrest.

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March 4, 1936

Stock Exchange— Business Done:-

Total Volume: 2,700,000 Shares

1935-36 High	1935-36 Low	Div. $ per sh.	STOCKS	Last Sale Mar. 2	Last Sale Mar. 3
13¾	4¼	0.10	Adams Express	13¾	13⅝
149⅝	110	4.00	American Can	125½	126
39½	20⅛	0.60	Amer. Cyanamid "B"	37¾	37⅞
9¼	2	—	American & For. Power	8	8⅛
42	14	—	American & Foreign Pwr. $7 pfd.	36¾	38½
27¼	10½	—	American Radiator	23¼	23¼
177¼	98⅝	9.00	American Tel. & Tel.	173	174⅞
107	74¾	5.00	American Tobacco "B"	97	97¼
23¾	7½	—	American Waterworks	23⅝	23⅝
35⅞	8	0.25	Anaconda Copper	35⅝	35¾
77½	35¾	2.00	Atchison, T. & S. Fe	74½	76
48¾	15	—	Auburn	47½	47⅞
24	7¼	—	Baltimore & Ohio	22½	22⅝
59⅜	21⅝	—	Bethlehem Steel	58⅞	59
26¼	6½	—	Boeing Airplane Co.,	23⅝	23¾
15⅞	8⅝	—	Canadian Pacific Railway	14⅝	14⅝
121½	45¾	—	Case, J. I.	121½	123¾
47⅞	20¼	1.40	Chase National Bank	40½	40½
74	35	3.00	Chesapeake Corp.	68½	69
60⅝	37½	2.80	Chesapeake & Ohio	59	59⅜
98½	31	4.00	Chrysler	97¼	100½
18¼	3⅝	0.20	Columbia Gas & Electric	18⅛	18½
24¼	16½	0.60	Coml. Solvents	23¾	22⅞
4⅝	0⅝	—	Commonwealth & Southern (ord.)	3¼	3⅜
36⅞	15⅞	1.00	Consolidated Gas of N. Y.	34⅝	35¼
15	6½	0.25	Consolidated Oil	14¼	14⅝
38½	15⅛	.87½	Continental Oil	36	36⅝
78⅝	60	3.00	Corn Products	75⅞	76½
73¾	17¼	0.75	Douglas Aircraft	69½	71⅞
149½	86⅝	3.60	Du Pont de Nemours	142	145½
20½	3¼	—	Electric Bond & Share	18⅛	18¼
41½	20¼	0.80	General Electric	39¾	40½
37½	30	1.80	General Foods	34	33⅞
61⅛	26⅝	2.00	General Motors	60½	62½
50	15⅝	1.00	General Railway Signal	46½	46
22	14⅝	1.20	Gold Dust	21	20⅝
30⅝	15⅝	—	Goodyear Tire & Rubber	28	28¼
75½	44	1.00	Humble Oil	68½	70
53½	22¼	1.00	International Nickel	52½	51⅜
19	5⅝	—	International Tel. & Tel	18⅜	18½
38⅜	13¾	1.00	Kennecott	37¼	38⅜
55⅜	31¼	2.00	Loew's Inc.	49¼	49½
16⅛	18½	1.20	Lorillard	23⅝	23½
98	55	1.00	Monsanto Chemical	98½	100⅞
41¾	21⅝	—	Montgomery Ward	39½	39⅝
41⅞	18½	1.00	National City Bank	36⅛	36⅝
24¾	12⅜	1.20	National Dairy Prods.	24¾	24¼
84½	23½	2.00	National Distillers	30¾	1
14⅝	4⅝	0.60	National Power & Lt.	10⅞	11
40⅝	12¼	0.10	New York Central	38½	38
29¾	9	1.00	North American	27⅝	28¼
36½	13⅛	1.50	Pacific Gas & Electric	33⅞	34¼
56¾	19	2.40	Pacific Lighting	54¼	54
12¼	3½	0.10	Packard Motors	11⅞	12⅛
38⅝	17⅛	1.00	Pennsylvania Railroad	35⅝	36¼
45⅝	13⅝	1.00	Phillips Petroleum	43¼	43⅞
45¾	20⅜	2.40	Public Serv. of N.J.	43⅜	43⅝
14¼	4	—	Radio Corporation	12⅛	13¼
58⅝	43⅛	3.00	Reynolds Tobacco "B"	56	55⅝
56¼	22	—	Schenley	51	49⅜
69⅞	31	2.00	Sears Roebuck	63⅜	64¼
17	10⅝	0.40	Socony-Vacuum	15⅞	16
28¾	10⅝	1.50	Southern California Edison	25⅞	25⅝
38½	12⅜	—	Southern Pacific	36⅞	36½
19⅞	12½	0.80	Standard Brands	17⅛	16⅜
9¾	1½	—	Standard Gas & Electric	8⅜	8⅛
61⅛	35⅜	1.00	Standard Oil Co. of N. J	60	61⅛
68	58⅜	3.80	Sterling Products	66⅞	67⅛
38¾	28⅜	2.00	Texas Gulf Sulphur	37½	38
14⅞	4⅞	0.30	Transamerica	14	14⅜
86⅛	44	2.00	Union Carbide & Carbon	84½	84½
133⅜	82½	5.00	Union Pacific	130	132
31⅝	9⅞	—	United Aircraft (New)	28⅞	29
17¼	4¼	—	United Airline Trans.	15⅜	16¼
8½	1⅛	—	United Corporation	7⅛	7⅛
19⅛	9⅛	1.00	United Gas Improvement	17	16⅞
50⅝	35¼	2.00	U.S. Indus. Alcohol	43¼	45⅝
21¼	9¼	—	U. S. Rubber	19⅞	19⅝
65½	27½	—	U. S. Steel	65½	66⅜
26½	11¾	—	Vanadium	25⅛	25¼
14	2¼	—	Warner Bros. Pictures	12⅝	13⅛
121¾	32¾	1.75	Westinghouse Electric	117¾	120¼

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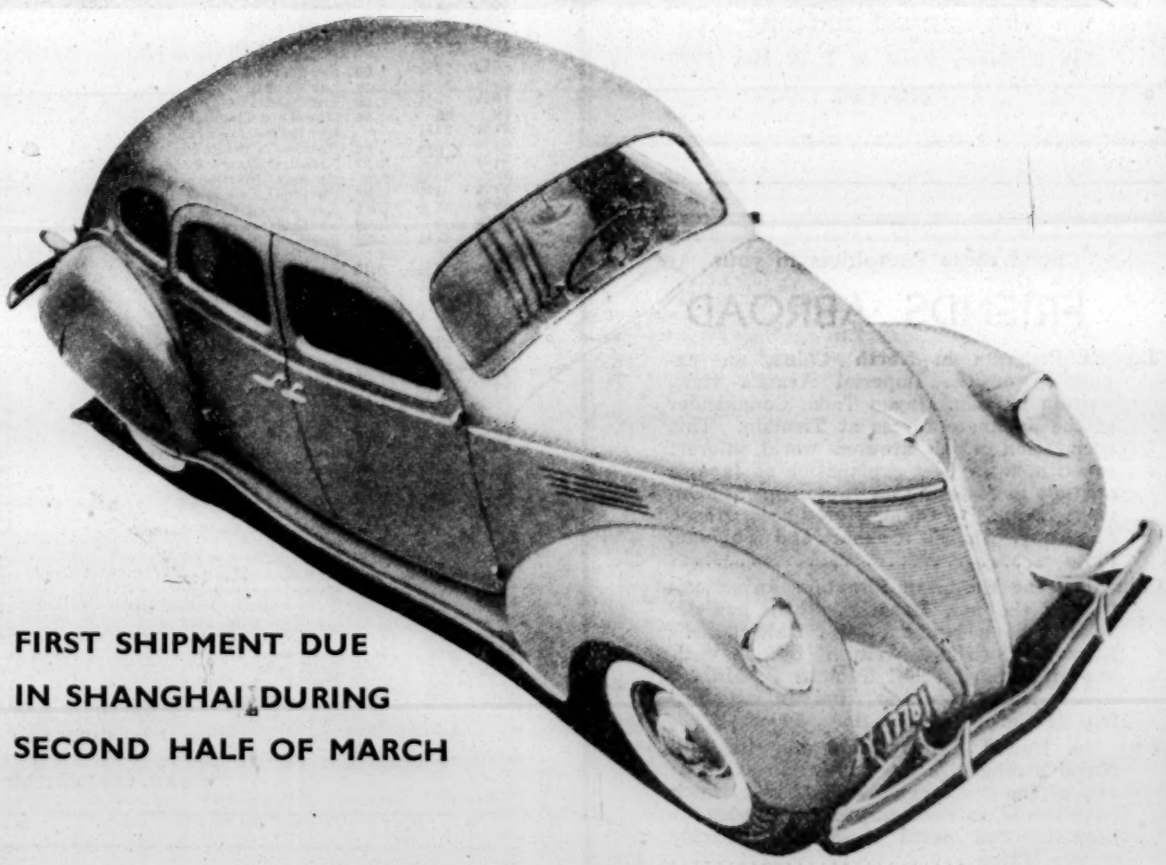

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